

# GAWLER ECONOMIC DEVELOPMENT STRATEGY

2020–2025



Australian Government

**BUILDING OUR FUTURE**

The Gawler Economic Development Strategy was created with funding from the Australian Government through the Building Better Regions Fund.

Gawler



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# Table of Contents

<b>Positioning Statement .....</b>	<b>5</b>
<b>Acknowledgement .....</b>	<b>6</b>
<b>Town of Gawler .....</b>	<b>8</b>
<b>Economic Snapshot of the Gawler Region .....</b>	<b>10</b>
<b>Impacts of Covid 19 on the Economy (snapshot) .....</b>	<b>18</b>
<b>Relief and Stimulus Package – Town of Gawler .....</b>	<b>22</b>
<b>Economic Development Vision and Pillars .....</b>	<b>24</b>
<b>Economic Development Strategies and Action Plan .....</b>	<b>25</b>
• <b>Pillar 1: Mainstreet Activation .....</b>	<b>26</b>
• <b>Pillar 2: Marketing and Promotion.....</b>	<b>32</b>
• <b>Pillar 3: Economic Internationalisation –         Tourism, Investment and Export.....</b>	<b>38</b>
• <b>Pillar 4: Physical and Virtual Clusters .....</b>	<b>42</b>
• <b>Pillar 5: Regional Collaboration .....</b>	<b>46</b>
• <b>Pillar 6: Regional Investment .....</b>	<b>50</b>
<b>Implementation, Resources and KPI's .....</b>	<b>54</b>
<b>Addendum: Situational Snapshot Pre-Covid .....</b>	<b>56</b>



# Positioning Statement

As digital connectivity makes it possible for Australians to consider regional towns as a more liveable lifestyle, Gawler finds itself strongly positioned to attract lifestyle aspirants (with their investment and talent), with its high level of digital connectivity, easy access to Adelaide and Barossa, adjacency of employment in multiple sectors, education options, health services, strong retail and entertainment offerings, heritage, culture and environment credentials, active community and easy amenity and lifestyle.

This opportunity will be captured by:

- i. A clear strategy for positioning and brand development, augmenting the attributes and promoting them
- ii. Priorities for precinct development and investment with
  - a. Principles and actions from main street / central business district (CBD) activation
  - b. Principles and actions for entertainment, hospitality and events growth
  - c. Principles and framework for connecting with neighbouring LG developments for a cohesive experience of living in and around Gawler
  - d. Connecting the rail assets and heritage rail story with tourism product that enhances business opportunities.
- iii. Identifying the immediate and emerging opportunities presented by COVID-19 for Gawler and activating them (particularly in equine and food manufacturing industries)
- iv. Capturing the opportunity in international school education in collaboration with schools
- v. Identifying priority sectors – Arts and Culture and Equine – to develop growth strategies
- vi. Planning for a native foods industry and capability connected with country and culture
- vii. Leveraging Gawler's place and proposition in regional clusters of Defence, Food and Tourism along with Arts and Equine.
- viii. A workforce development plan aligned with the regional future jobs strategy and Gawler and wider region opportunity for adaptive careers, particularly in jobs generating sectors strongly represented in Gawler
- ix. Building on Gawler's Sports and Recreation assets including cycle and walking trails network for wellbeing and tourism
- x. Strongly leveraging the hero asset of the Gawler Civic Centre and Business Innovation Hub as the cultural nerve centre of Gawler and a catalyst for new business ventures.

# Acknowledgment

Town of Gawler was successful in obtaining funding from the Australian Government through the Building Better Regions Fund to create an Economic Development Strategy for Gawler.

Council engaged Hudson Howells to develop the Strategy in November 2019 and the project was initiated with an expectation that the Strategy document would be completed before the end of the 2019/20 financial year.

By March 2020 the research and initial phases of consultation had been completed and a Draft Strategy was prepared for Council's consideration however the Coronavirus pandemic had been declared around the World, resulting in not only a worldwide health crisis but also a global economic crisis.

The Global Economic Prospects Report (June 2020) from the World Bank states that "The pandemic will result in output contractions across the vast majority of emerging market and developing economies. Moreover, the pandemic is likely to exert lasting damage to fundamental determinants of long-term growth prospects, further eroding living standards for years to come."

It further stated "Beyond its (the pandemic's) short-term impact, deep recessions triggered by the pandemic are likely to leave lasting scars through multiple channels, including lower investment; erosion of the human capital of the unemployed; and a retreat from global trade and supply linkages. These effects may well lower potential growth and labour productivity in the longer term."

With the economic environment incalculably impacted the Draft Strategy as it stood was deemed, understandably, to be lacking a series of recovery strategies and initiatives focussed on supporting the economic revitalisation that would be inevitably needed as a result of this unforeseen crisis.

Council would like to acknowledge Hudson Howells for their research and initial work on the Draft Strategy. Unfortunately, as the project was drawing to a close prior to the pandemic, the funding allocated to the project was almost fully expended therefore, further work recasting the Strategy in light of the pandemic's economic and social impact had to be resourced internally by Council.

Council has retained the key components of the original draft document provided by Hudson Howells including the overall Vision (with a minor amendment) and the six key pillars for economic focus being:

- 1. Mainstreet Activation**
- 2. Marketing and Promotion**
- 3. Economic Internationalisation – Tourism, Investment and Export**
- 4. Physical and Virtual Clusters**
- 5. Regional Collaboration**
- 6. Regional Investment**

Council has recast the Economic Development Strategy to address the (previously unforeseen) new economic reality with the assistance of:

- Regional Development Australia Barossa Gawler Light, Adelaide Plains (RDAB).
- Gawler Business Development Group (GBDG).
- Gawler Business Innovation Hub (BIH).

Hudson Howells supported Council's work on recasting the Strategy by providing a peer review of the final draft document.

The Hudson Howells report has been retained to refer to information on key strategic considerations, Council's role in economic development as well as industry and employment structures of the region. Some information in the recast document is taken directly from the Hudson Howells report and some has been amended to reflect Council's desire to directly and immediately stimulate the local economy and support the business sector through recovery from the pandemic's far reaching impact.

# Town of Gawler



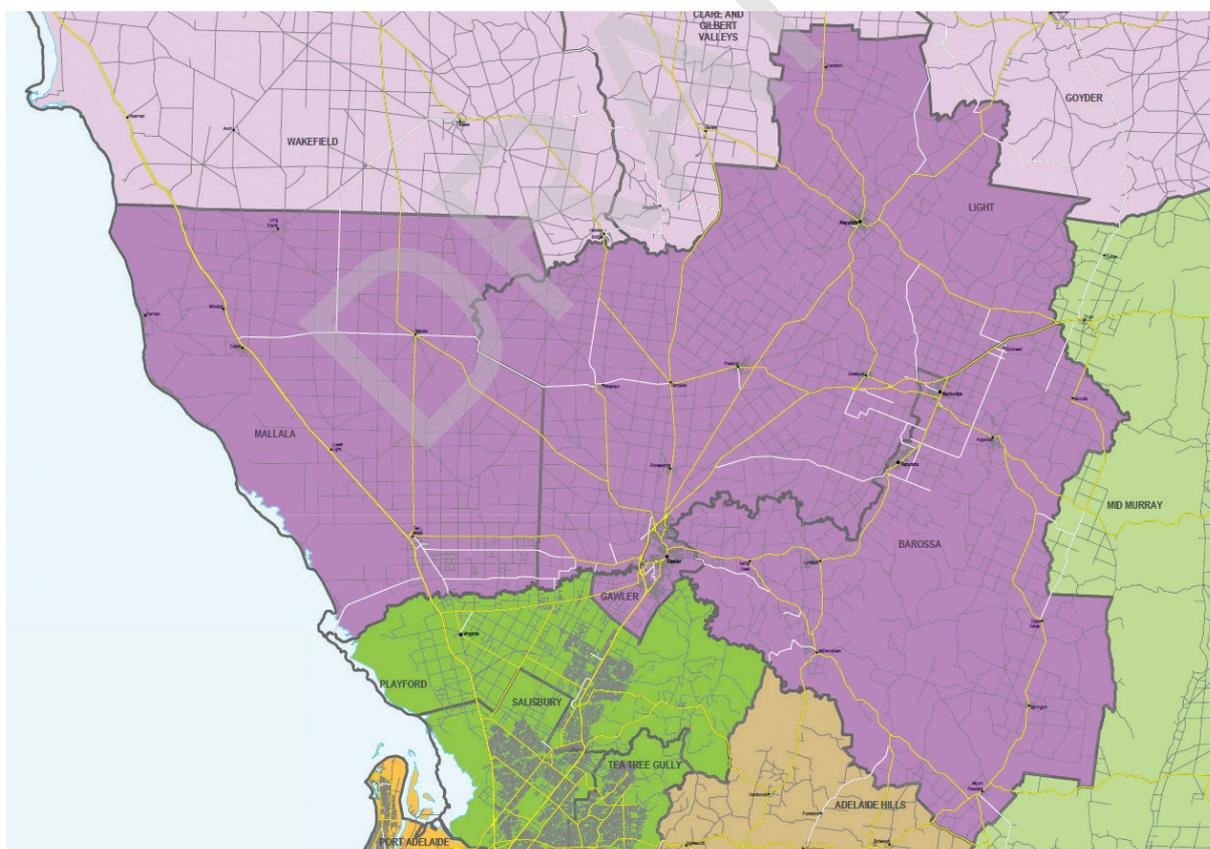
Gawler is located 42 kilometres north of Adelaide at the edge of the metropolitan area and identifies itself as a separate township from Adelaide. It covers 41 square kilometres and includes the areas of Evanston, Evanston Gardens, Evanston Park, Evanston South, Gawler, Gawler East, Gawler South, Gawler West, Hillier, Kudla, Reid, Uleybury (part), Bibaringa (part) and Willaston.

Latest population records as released by the State Government (DPTI) shows Gawler to have a population of 23,583 in 2016. Projections for population growth for Gawler indicates an increase to over 28,000 by 2026 and over 30,000 by 2030. This growth rate of approximately 1.3% pa is twice the state average.

One of the Gawler's major strengths is its proximity to the Adelaide CBD being approximately 42 kilometres from the CBD. Its estimated resident population as at 30th June 2018 was 24,018 and it is bordered by 4 metropolitan and or regional councils as below with population and State share comparisons:

<b>Council</b>	<b>Estimated Resident Population (Jun 30 2018)</b>	<b>Share of South Australian Population</b>
City of Playford	93,426	5.38%
Light Regional Council	15,339	0.88%
Barossa Council	24,808	1.43%
Adelaide Plains Council	9,059	0.52%
<b>Town of Gawler</b>	<b>24,018</b>	<b>1.38%</b>

Gawler also continues to grow and develop as a regional service centre for the northern region servicing a regional catchment which is currently estimated at 110,000 people.



Young families, retirees and elderly citizens choose to live in Gawler for its relaxed lifestyle. Residents and visitors identify that the strong sense of history, community and environmental pride are major social assets for Gawler, complementing the services and facilities it provides.

# Economic Snapshot of the Gawler Region

The following graphs indicate the key economic data for the Gawler (T) region provided through REMPLAN – Economy software. REMPLAN is a suite of digital resources used to analyse and benchmark the industries and businesses that form local economies.

## Summary Snapshot

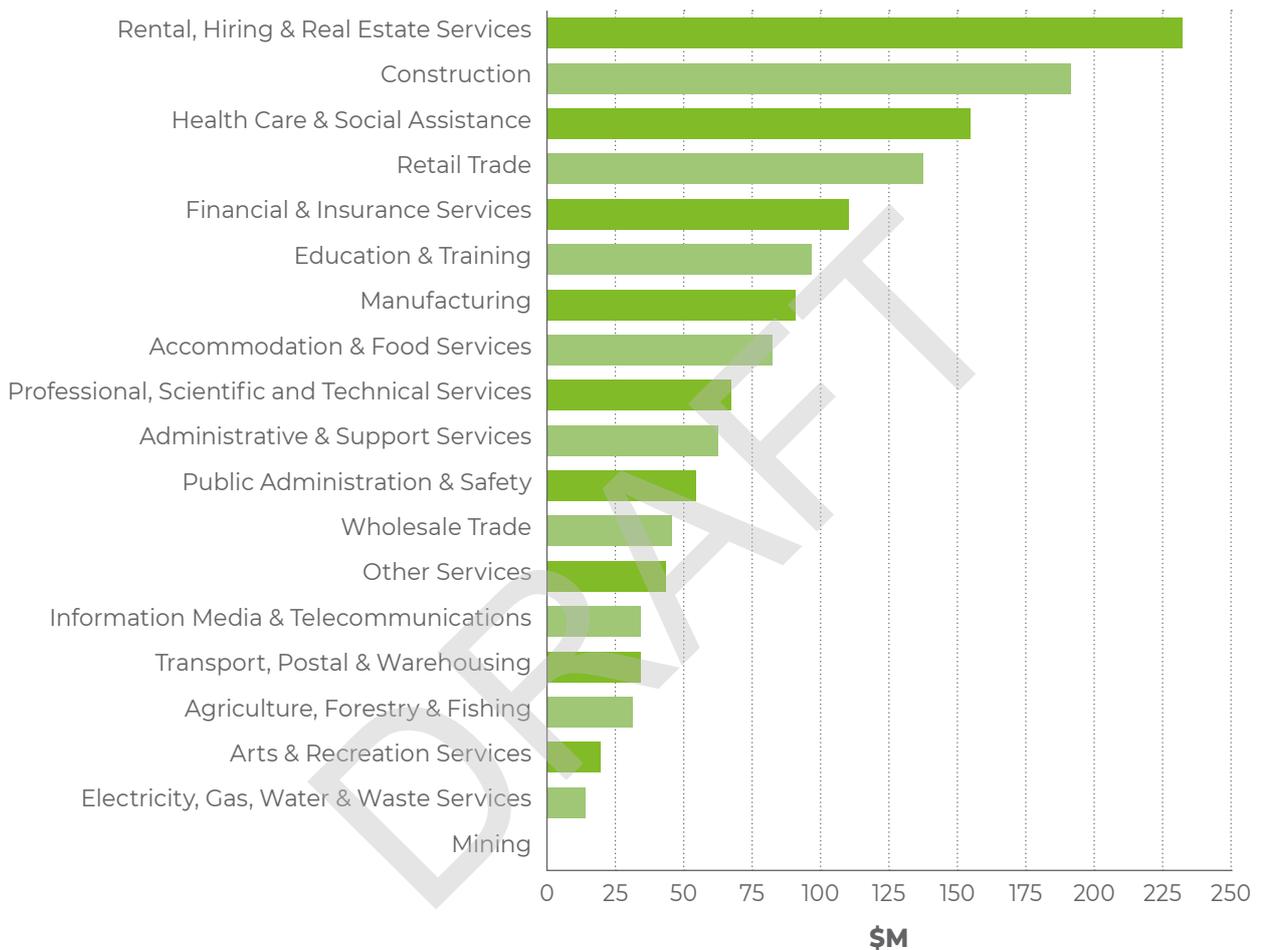
ABS 2019 Estimated Residential Population:	24,416
ABS 2016 Census Place of Usual Residence Population:	23,035
Land Area (ha):	4,113.790
Census Population Density (persons / ha):	5.599
Gross Regional Product (\$M):	\$917.615
Per Hectare Gross Regional Product (\$K):	\$223.058
Per Capita Gross Regional Product (\$K):	\$39.836
Per Worker Gross Regional Product (\$K):	\$135.622

The **Output Report** below shows the gross revenue (in 2019 prices) generated by businesses and organisations in Gawler (T).

Output data represents the gross revenue generated by businesses/organisations in each of the industry sectors in a defined region. Gross revenue is also referred to as total sales or total income.

The total output estimate for Gawler (T) is \$1,486,034 million.

### Output – Gawler (T) (2019 Release 1)



**Gross Regional Product** (GRP) for Gawler (T) is the total value of final goods and services produced in the region over the period of one year.

GRP can be measured by adding up all forms of goods and services.

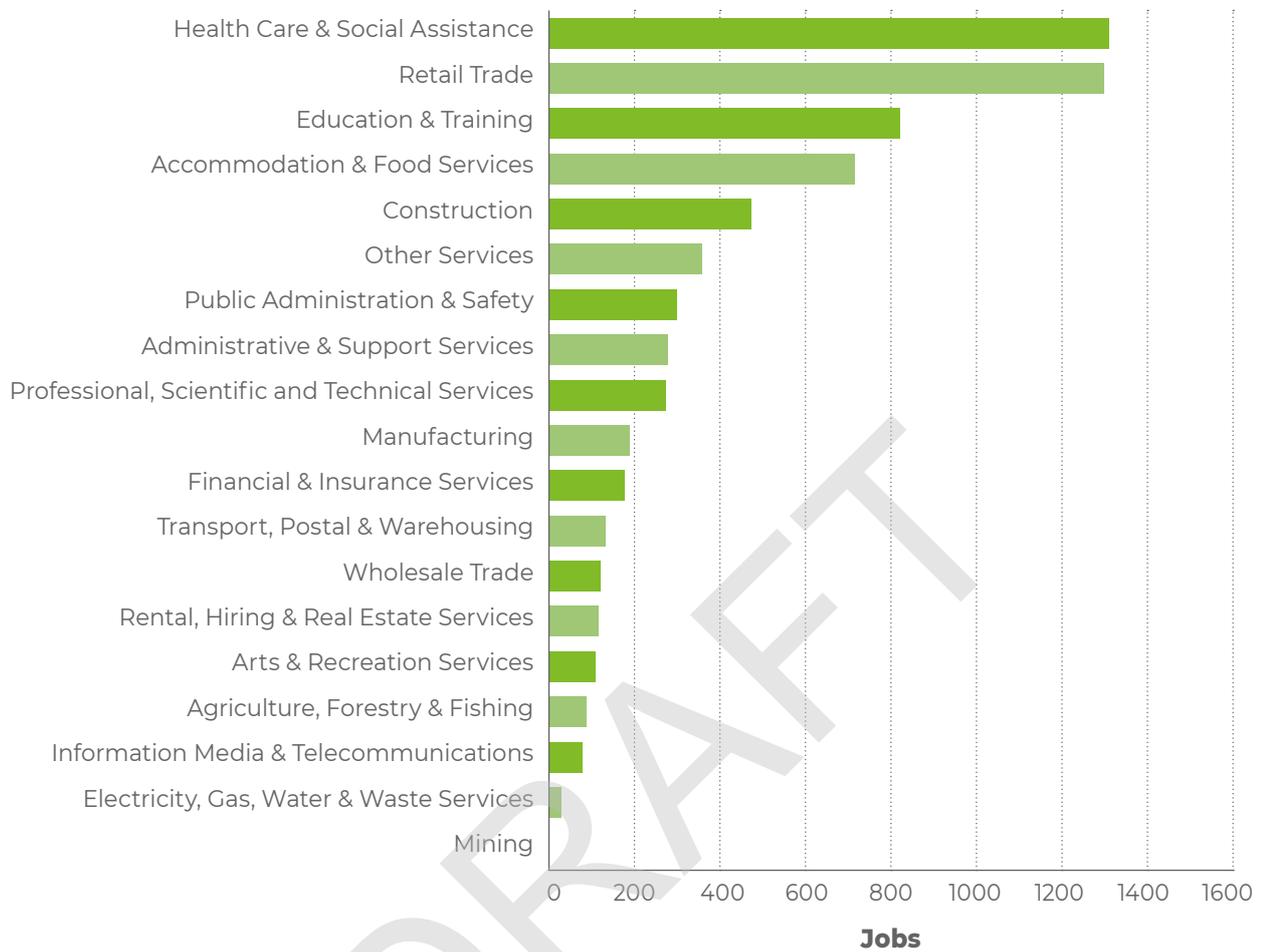
- consumption by households
- consumption by governments
- additions or increases to assets (minus disposals)
- exports (minus imports).

This calculation does not include intermediate expenditure as this would lead to double counting (the wheat and flour in a loaf of bread). All values adjusted for 2019 prices.

<b>GRP Expenditure Method</b>	<b>\$M</b>
Household Consumption	\$1,057.927
Government Consumption	\$283.813
Private Gross Fixed Capital Expenditure	\$291.106
Public Gross Fixed Capital Expenditure	\$74.966
<b>Gross Regional Expenses</b>	<b>\$1,707.812</b>
plus Regional Exports	\$257.996
minus Domestic Imports	-\$993.164
minus Overseas Imports	-\$55.029
Gross Regional Product	\$917.615
Population	23,035
Per Capita GRP	\$0.040
Per Worker GRP	\$0.136

The **Employment Report** shows the number of employees whose place of work is located within Gawler (T). The total employment estimate for Gawler (T) is 6,766 jobs.

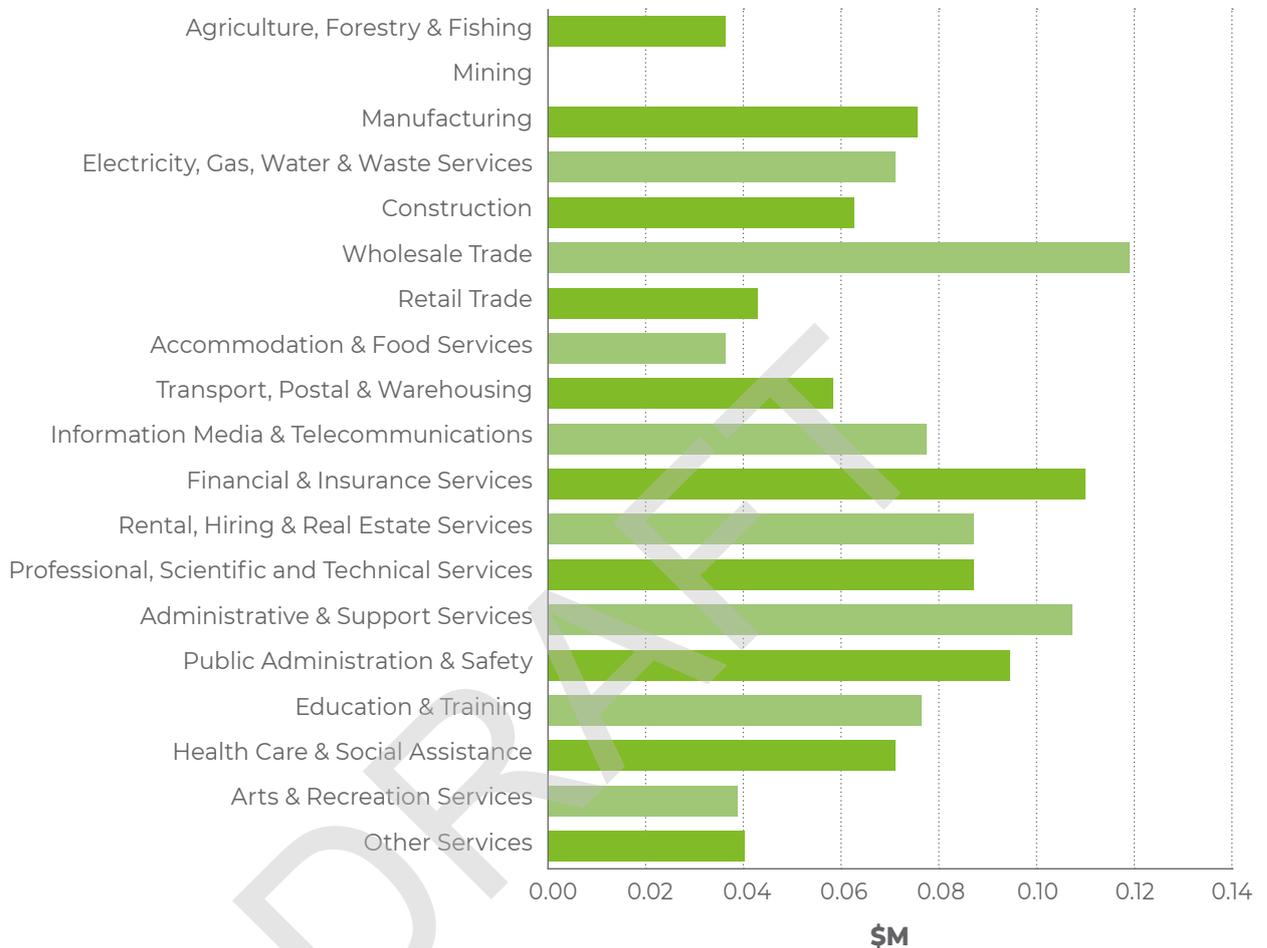
### Employment – Gawler (T) (2019 Release 1)



The **Wages and Salaries Report** shows the wages and salaries in 2019 prices paid to employees who work in Gawler (T).

The total wages and salaries estimate for Gawler (T) is \$433.907 million.

### Wages and Salaries per Worker – Gawler (T) (2019 Release 1)



The following table, derived from the 2019 Australian Bureau of Statistics National Regional Profile, details the number of business by industry sector operating in the Gawler LGA as at 2018:

<b>Industry Sector</b>	<b>Number of Businesses (2018)</b>	<b>Percentage</b>
Agriculture, forestry and fishing (no.)	73	6%
Mining (no.)	3	0%
Manufacturing (no.)	58	5%
Electricity, gas, water and waste services (no.)	5	0%
Construction (no.)	309	24%
Wholesale trade (no.)	28	2%
Retail trade (no.)	76	6%
Accommodation and food services (no.)	55	4%
Transport, postal and warehousing (no.)	64	5%
Information media and telecommunications (no.)	3	0%
Financial and insurance services (no.)	87	7%
Rental, hiring and real estate services (no.)	130	10%
Professional, scientific and technical services (no.)	103	8%
Administrative and support services (no.)	34	3%
Public administration and safety (no.)		0%
Education and training (no.)	17	1%
Health care and social assistance (no.)	96	8%
Arts and recreation services (no.)	22	2%
Other services (no.)	105	8%
Currently unknown (no.)	8	1%
<b>TOTAL</b>	<b>1,274</b>	<b>100%</b>

There is significant travel between regions for employment. Consequently, many of the people working in the Town of Gawler LGA reside outside the area, while many Gawler residents work outside the Gawler area. This may account for the growth in the number of businesses in Construction, and Manufacturing. The following table details the industry of employment for Gawler residents as at the June 30th 2017<sup>23</sup>, noting that a high percentage of Gawler's working residents (5,084 or 58.9%) travelled outside of the Gawler Areas to work as at the 2016 census.

<b>Industry of Employment – Number of Employee Jobs</b>	<b>Persons</b>	<b>Percentage</b>
Agriculture, forestry and fishing	362	2%
Mining	98	1%
Manufacturing	1393	9%
Electricity, gas, water and waste services	96	1%
Construction	937	6%
Wholesale trade	654	4%
Retail trade	1649	11%
Accommodation and food services	964	7%
Transport, postal and warehousing	648	4%
Information media and telecommunications	100	1%
Financial and insurance services	474	3%
Rental, hiring and real estate services	280	2%
Professional, scientific and technical services	629	4%
Administrative and support services	1311	9%
Public administration and safety	1135	8%
Education and training	1360	9%
Health care and social assistance	1772	12%
Arts and recreation services	158	1%
Other services	510	3%
<b>TOTAL</b>	<b>14,829</b>	<b>100%</b>

The majority of the Local Government Area's residents (79%) are employed in service industries with Health Care and Social Assistance, and Retail Trade being the highest ranking employment sectors.

The Town of Gawler is experiencing a sustained decline in the number of businesses operating in its area consistent with its current socio-economic trends and especially an ageing demographic, and a significantly lower percentage of younger people of tertiary student age, workforce age or young families than Metropolitan Adelaide.

While much of this decline is in 'hidden' economic sectors such as professional services, the decline in retail businesses over the last 5 years (21 or 21.6%) is of some concern as this is reflected more prominently in vacant shops and lower retail activity at the street and shopping precinct levels. (It is noted here that some of this decline in the number of businesses may be due to the ongoing shift to 'on-line shopping' and its impact on retail demand). Offsetting this decline to some extent has been growth in construction and manufacturing businesses over the last 5 years (48 or 15.04%).

It is concluded from this analysis that there is an opportunity for the Town of Gawler to revitalise its economy and reverse current business trends by developing and adopting strategies that address the demographic imbalance and especially by attracting younger residents and visitors to the area who will have higher consumption spending than the current aging demographic.

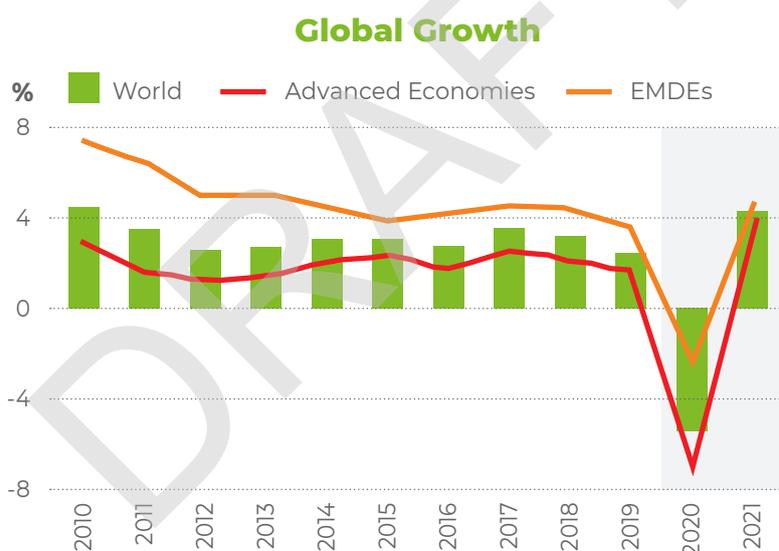
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# Impacts of COVID-19 on the Economy (snapshot)

The Global Economic Prospectus in June 2020 indicated “The baseline forecast envisions a 5.2 percent contraction in global GDP in 2020—the deepest global recession in eight decades, despite unprecedented policy support. Per capita incomes in the vast majority of emerging market and developing economies (EMDEs) are expected to shrink this year, tipping many millions back into poverty. .... Advanced economies are projected to shrink by 7 percent in 2020, as widespread social-distancing measures, a sharp tightening of financial conditions, and a collapse in external demand depress activity.”

Output in advanced economies is set to contract sharply in 2020, as domestic demand and supply, trade, and finance have all been severely disrupted. Assuming that the pandemic does not lead to lasting damage to financial systems, growth is expected to rebound in 2021, aided by unprecedented support from fiscal, monetary, and financial sector policies.

Global Growth prospects are shown in the graph below for 2020 and 2021.



The Australian Government moved quickly to provide fiscal support, amounting to around A\$289 billion (14.6% of GDP) as a generous stimulus package to the economy. It is expected that the fiscal support will continue and grow in coming months/ years.

The July (2020) Economic and Fiscal Update now estimates a budget deficit of \$85.8 billion in FY2019/2020, projecting it to grow to A\$184.5 billion in 2020/2021 financial year and predicts the unemployment rate to peak at approximately 9.25% in December 2020 before easing to 8.75% in June 2021 quarter.

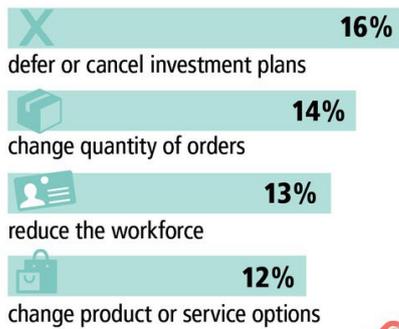
The Australian Bureau of Statistics (ABS) has surveyed Australian businesses to ascertain the resilience amongst the business sector and also to provide an indication of the business impacts that have resulted from the impacts of the Covid-19 Government restrictions they have had to navigate during the pandemic. The info graphic and graphs below provides insights on some key indicators on how Australian businesses were coping in June 2020.

# Business Impacts of COVID-19 Survey results



July 2020

When support measures are **no longer available**, businesses expect to...



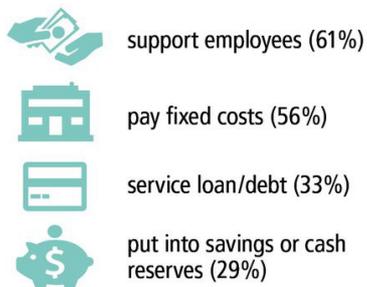
10% **expect to close**



54% received government support via the **Boosting Cash Flow for Employers** measure



Funds were most commonly used to...



47% reported a **decrease in revenue** over the past month



Over the next month...

27% expect a **decrease** in revenue

49% expect it to **stay the same**

Over the past month...



13% of businesses **decreased** numbers of employees



6% of businesses **increased** numbers of employees

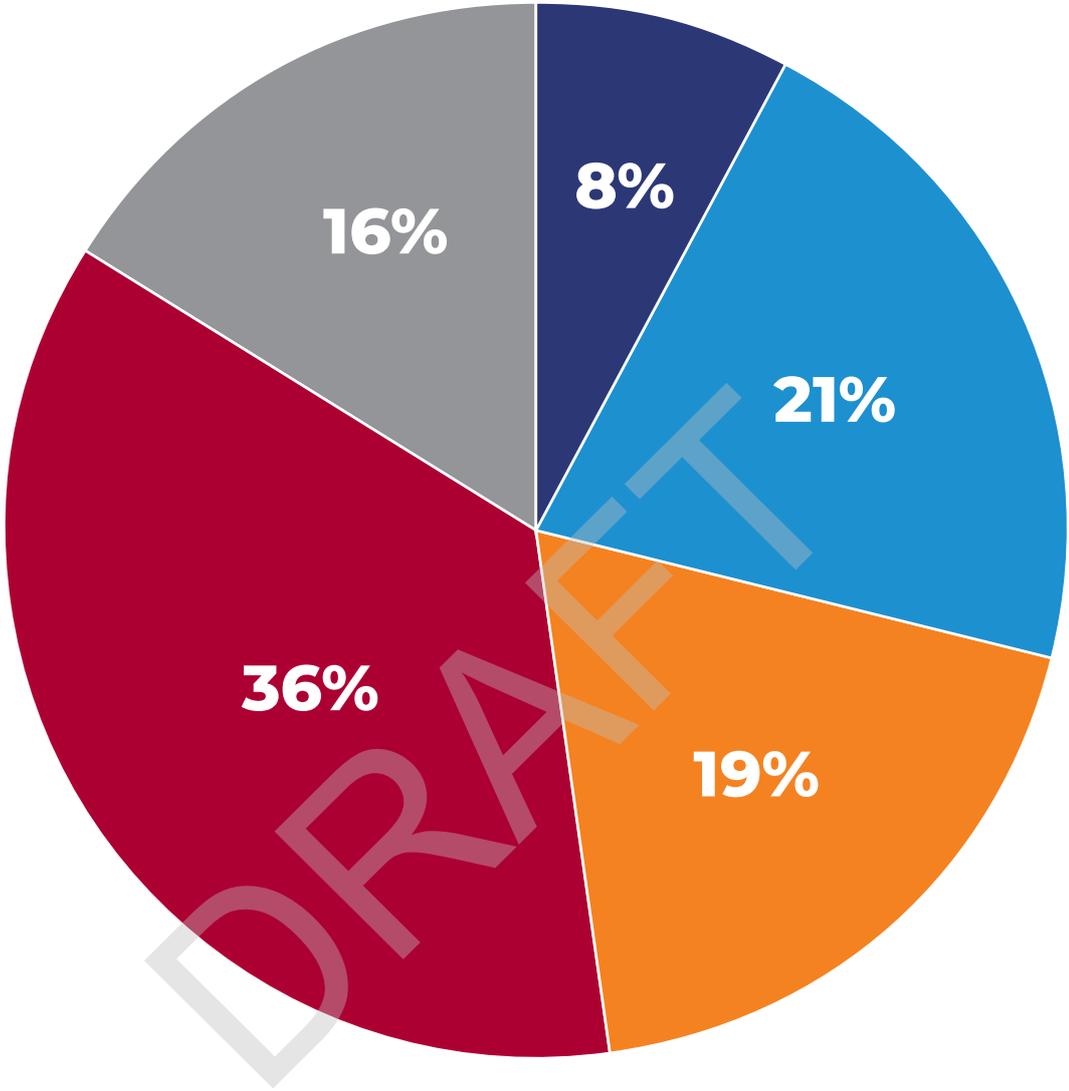
11% of employing businesses reported **difficulties in finding staff** to fill job vacancies



Detailed data on the impacts of COVID-19 can be found at

[abs.gov.au/covid19](https://abs.gov.au/covid19)

**Australian Business sentiments (June 2020) on length of time operations could be supported by currently available cash on hand**



- 6 months or more
- 3 to less than 6 months
- 1 to less than 3 months
- Less than 1 month
- Don't know

## South Australia

The economic impact of the pandemic is still unfolding at the time of the recasting of the Strategy. Key initiatives have been included in the Strategy to assist local business in their recovery from the impacts of the COVID-19 restrictions and to build future resilience in the local business sector.

In April 2020 the impact of the preventative measures initiated in an attempt to control the spread of COVID-19 was projected to have the following negative impacts on the South Australian economy between 2020 and 2023:

- Interstate exports will fall by \$1.4 billion (18% of the value of South Australia's total domestic exports).
- Overseas exports will fall by \$0.97 billion (23.5% of the value of South Australia's total overseas exports).
- Over the medium term, the employment impact of COVID-19 will be around 47,000 fewer jobs than otherwise.
- This implies a peak unemployment rate of about 13.3% in Q2 2020, with a slow decline; remaining above 10% at the end of 2023.

(Flinders University Australian Industrial Transformation Institute - Impact of COVID-19 on the South Australian economy and employment – 2020 to 2023)

The above projections were made at the height of the pandemic restrictions in South Australia.

It is fair to say that at the time of recasting this Strategy the outlook for both the global and domestic economies remains largely uncertain with the pandemic still not under control. The only certainties are that the recovery period will be long term and significant changes to local socio-economics and the local industry and employment structures will occur.

# Relief and Stimulus Package – Town of Gawler

Town of Gawler recognised that the economic impact of the pandemic would present significant challenges for the community and particularly for local business. Council moved quickly to develop a relief and stimulus package to support the Gawler regions economic recovery. As part of an approach to facilitate economic activity during these challenging times, Council has authorised a \$2m Economic Stimulus Package, to contain a series of projects and initiatives specifically designed towards local employment / local supplier outcomes.

The proposed projects included in the Economic Stimulus Package are as follows:

- Sport & Recreation - \$858,000
  - › Install shade sails to playgrounds - \$250,000
  - › Gawler Aquatic Centre change-room scope extension - \$208,000
  - › Sporting Club Grants\* - \$200,000
  - › Irrigation efficiency upgrades (3 systems) - \$200,000
- Buildings - \$452,000
  - › Council / Community facilities upgrades (e.g. carpets, kitchens, bathrooms, painting, etc.) - \$240,000
  - › Solar panels installation (2 buildings) - \$120,000
  - › Completion of Gawler Caravan Park buildings & sheds upgrade - \$92,000
- Infrastructure - \$315,000
  - › New footpaths construction - \$250,000
  - › Install permeable paving at Gum Tree Plaza - \$65,000
- Other - \$375,000
  - › Street lights and buildings conversion to LED lighting - \$250,000
  - › Community Event / Social Connections grant program - \$100,000
  - › Tourism Plan implementation - \$25,000

\*The proposed Sporting Club grants incorporate a \$40,000 grant towards each of the major four sporting precincts, namely Gawler Central, Gawler South (Eldred Riggs Reserve), Willaston (Elliott Goodger Memorial Park, and Karbeethan Reserve, with the remaining \$40,000 then allocated towards other sporting clubs. Each Club would need to seek Council approval as to what projects the grant funding would be used for, and then complete a full grant acquittal process at the completion of the associated works.

In addition, Council is working with businesses to reduce red tape to make it easier for them to operate in accordance with Government restrictions and guidelines that are specific to the Coronavirus pandemic. For example:

- Proactive assistance in establishing outdoor dining areas
- Providing education and assistance with how businesses are to implement physical distancing and practice good hygiene
- Providing the Gawler Connected Community App for local business to utilise as a cost effective mCommerce platform for their business
- Regular discussions between Council Staff, RDAB, BIH and GBDG focusing on new ways to assist local businesses through the current economic down-turn.

Further to the above, Council's procurement policy and practices will provide an increased focus on local participation/procurement outcomes to provide local economic activity by (where possible) exploring local procurement outcomes, where value for money can still be demonstrated. For procurements over \$10,000, respondents will be required to provide information relating to Local Economic Benefit and Social Inclusion which will be allocated a minimum weighting of 15%. Council is also having regard for the State's SA Industry Participation Policy as part of its considerations.

Other proposed procurement initiatives under consideration is as follows:

- Council's 2020/21 Procurement Plan to be published on Council's website as soon as possible after budget adoption to provide suppliers with an indication of potential tendering opportunities and timeframes.
- Invite local suppliers to register for alerts on the SA Tenders and Contracts Website (through GBDG/RDA Barossa and Council's social media sites).
- Invite local suppliers (through social media and Council's website) to contact industry bodies such as the GBDG, RDA Barossa and the Industry Advocate for advice on tendering/ collaboration opportunities for larger contracts.
- Inform local suppliers about the SA Product and Services Register (online directory where all SA businesses can profile their business at no costs and these businesses are promoted to State Government Agencies and Prime Contractors).
- Develop a supplier's guide to tendering.

It is worth noting that the economic impact of the pandemic will also negatively affect Council's financial position. Bringing forward infrastructure projects to stimulate the economy and providing general rate rebates and lease abatements comes at a cost to Council's bottom line. Fortunately interest rates are extremely low making the long term cost of delivering a relief/ stimulus package resulting in a budget deficit more affordable and palatable than the alternative.

Recovery from a global economic disaster is a long term prospect and the full impact of the economic contraction is yet to be seen. Further stimulus packages may well be required/desired and should focus on multilevel strategies, leveraging multiple outcomes across social, cultural, environmental and economic factors.

# Economic Development Vision and Pillars

Supported by the research and consultation undertaken for this project by Hudson Howells, the following Economic Development Vision is recommended for the Town of Gawler:

**The Town of Gawler is recognised as an exciting and developing urban destination with easy access to employment and business opportunities in a creative and sustainable environment.**

**Gawler's strategic competitive advantages in retail, health, education, recreation and sport, heritage and the arts will support growth in the local and regional economies and develop Gawler's reputation as a smart living desirable community.**

Council will facilitate this vision through the following six key pillars:

- 1. Mainstreet Activation**
- 2. Marketing and Promotion**
- 3. Economic Internationalisation – Tourism, Investment and Export**
- 4. Physical and Virtual Clusters**
- 5. Regional Collaboration**
- 6. Regional Investment**

An Economic Reference Group comprising of Council Staff, GBDG, BIH and RDAB will be working together to manage and implement this Strategy. It can only be delivered through collaboration with local business and industry groups assisting to drive and implement key actions in this strategy including:

- Development, funding and implementation of the regional branding and positioning strategy.
- Conducting regular economic development and networking functions.
- Collaboration on economic and industry development.

# **Economic Development Strategies and Action Plan**

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# Pillar 1

## Mainstreet Activation

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Nationally and locally, the declining retail and wholesale business environment is a problem for the Town of Gawler. A consistent theme of the stakeholder consultation was the exceptionally poor state of privately owned main street (Murray Street) properties. Due to the economic impact of the Coronavirus pandemic people's behaviours (mainly changed due to the restrictions that had been or are in place) are compounding the issue and the vacancy rate of commercial tenancies is expected to rise dramatically. A town's main or high street conveys its economic vibrancy and economic opportunities.

An urgent action is therefore to activate Gawler's main street and to refocus on centre placemaking and retaining or encouraging the right vibrant business and service mix.

Activation of the existing retail infrastructure within Gawler can be a positive driver of town rejuvenation. This should be driven by a main street activation strategy that is led by the private sector and supported by Council. Work with GBDG to encourage the creation of a Murray Street Working Group/Sub-committee which would be a membership of landowners, and local interest groups, with Council, Regional Development Australia (BGLAP) and state government observers who could assist in coordinating cooperative activities and encourage a beautification plan for the commercial buildings that give Gawler Main Street its character.

The expected increase in commercial vacancies in Gawler should also be proactively managed and investigation of the Renew Adelaide model to encourage entrepreneurs to establish in Gawler should be investigated and if feasible supported. A Murray Street Working Group could be a key partner in ensuring such a program could be initiated successfully.

Funding requirements and sources for any such Group would need to be determined between property owners, businesses, GDBG and Council. The focus should be on attracting and retaining the appropriate retail/ services business mix.

- Restaurants
- Cafes
- Arts
- Culture
- Education
- Health Precincts (e.g. Medical, Dental, Allied Health, Wellness, Spas, etc.)
- Future food training and hubs (Pop ups) – A landlord investment strategy and utilise local training for food ventures (sour dough breads, cheese etc.) to develop new businesses. Then provide pop up space in Murray Street for new ventures for 12 weeks rent free to establish new businesses.
- Accommodation strategy in the mainstreet. There needs to be a strategy to develop boutique hotel accommodation in or near to the Gawler mainstreet precinct to take advantage of the tourists that stay overnight in the Barossa region. There is an opportunity to leverage other assets of the region including Aboriginal arts, native foods and crafts, food and wine. As demonstrated in recent developments such as the Civic Centre and Walker Place event space.

# Action Plan

Action	Responsibility	Resource Implications
<p>Establish a Murray Street Working Group to work on collaborative marketing, business attraction strategies and events and activation.</p>	<p>Town of Gawler GBDG</p>	<p>Economic Development staff time</p> <p>Funding requirements and sources to be determined between property owners, businesses, GBDG and Council</p>
<p>Retailer/Investment and Attraction Strategy (including investigating the Renew Adelaide model for filling commercial vacancies)</p> <ul style="list-style-type: none"> <li>› Restaurants</li> <li>› Cafes</li> <li>› Arts</li> <li>› Culture</li> <li>› Education</li> <li>› Health Precincts</li> <li>› Future food training and hubs (Pop ups)</li> <li>› Accommodation</li> </ul> <p>Internal policy review/development to maximise business attraction through:</p> <ul style="list-style-type: none"> <li>› Business Attraction policy</li> <li>› Red tape reduction/ simplified documents</li> <li>› Support/speed up the process</li> <li>› Car parking strategy</li> <li>› External signage and outdoor dining policy</li> <li>› Buskers Policy review – activate Walker Place</li> <li>› Venue event insurance to activate Walker Place for certain activities/events.</li> </ul>	<p>Town of Gawler GBDG RDA</p>	<p>Economic Development staff time</p> <p>Planning and Development staff time</p> <p>GBDG and RDA staff time.</p> <p>Possibly seed funding to support Renew Adelaide.</p>

Action	Responsibility	Resource Implications
Encourage the further development of the night economy in Gawler through attraction of restaurants, wine bars, activation activities/performances (Civic Centre and event locations).	Town of Gawler GBDG RDA	Economic Development staff time Planning and Development staff time GBDG and RDA staff time.
Promotion of the Main Street Heritage and Sustainability	Town of Gawler GBDG	Staff time
Promotion of Existing and Attraction of New Main Street (and other CBD) Accommodation	Town of Gawler GBDG RDA	Staff time
In Support of the Accommodation Strategy, Identify and Attract Events (Conferences, etc.) to the <b>Gawler Civic Centre</b> and other Town Facilities	Town of Gawler and Traders RDA	Economic Development staff time Civic Centre staff time RDAB staff time
Placemaking to support Murray Street	Town of Gawler	\$20,000 per annum (recommended estimate) Fringe event
Leverage Gawler Civic Centre to maximise community use and activation including Business Innovation Hub, Library services and venue meeting spaces etc	Town of Gawler GBDG RDA	\$10,000 per annum (recommended estimate)
Activate Second Storeys or vacant premises in the Main Street by encouraging landlord investment and business marketing and pop-up shops, art galleries etc	Town of Gawler GBDG	Economic Development staff time GBDG staff time

# Action Plan

Action	Responsibility	Resource Implications
<p>Identify and attract Mini Festivals or events for Murray Street to invite people back in to the Main Street (social distancing requirements met)</p> <p>Walk the Chalk – chalk art trail in the main street – Aboriginal component could be incorporated</p> <p>Music on Murray – buskers/street performers</p> <p>One Act Wonders – short one act session on the balcony of the Civic Centre</p> <p>App Competition –taking people all around Gawler and in to our main shopping precincts and Civic Centre</p>	<p>Town of Gawler</p> <p>GBDG</p>	<p>Base on Event</p> <p>Sponsorships</p> <p>Event funding in ToG Stimulus package could be leveraged in 2020/21 FY</p> <p>Staff time – COVID mgt plans etc.</p> <p>Leverage Walker Place as an event venue.</p>
<p><b>Gawler Visitor Information Centre</b> - Provide additional services which draw people in e.g. café, local produce sale, art demonstrations, native food tastings.</p>	<p>Town of Gawler</p>	<p>Economic Development staff time</p>
<p>Gawler Visitor Information Centre - Redesign to Improve Digital Services (Bookings) and Gallery within the Centre and eventually (when able) relocate Gallery to the Upstairs</p>	<p>Town of Gawler and Traders</p>	<p>Economic Development staff time</p> <p>Cost of initial Gallery installation \$85,000</p> <p>Long Term – lift installation \$500,000</p>
<p>Upon Successful Activation of the Main Street, Identify and Apply Similar Strategies to Other Important Gawler Hubs Including the Railway Station Upon the Completion of the <b>Railway Electrification</b></p>	<p>Town of Gawler and Traders</p>	<p>Economic Development staff time</p>

Action	Responsibility	Resource Implications
<p>Gawler East Regional Growth Precinct - Integration with the Town to minimise the impact of New Retail on Existing Township/Main Street Retail Facilities by Promoting Main Street Retail Opportunities.</p> <p>The Main Street CBD activation and retail/entertainment offering needs to draw people to the centre of the town eg for nightlife, specialty stores, socialising, innovative and other services.</p> <p>Connectivity to the main CBD from the satellite neighbourhood commercial precincts should be encouraged.</p>	<p>Town of Gawler and Traders</p> <p>GBDG</p>	<p>Economic Development staff time</p> <p>GBDG staff time</p>

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# Pillar 2

## Marketing and Promotion

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In collaboration with the Gawler Tourism Plan, development and promotion of an economic development brand and associated imagery which focuses on the following proposition:

**The Town of Gawler is recognised as an exciting and developing urban destination with easy access to employment and business opportunities in a creative and sustainable environment.**

**Gawler's strategic competitive advantages in retail, health, education, recreation and sport, heritage and the arts will support growth in the local and regional economies and develop Gawler's reputation as a smart living desirable community.**

The following specific actions are recommended:

- In collaboration with the Tourism Plan and Gawler Business Development Group, build an economic development brand, marketing strategy and imagery around:
  - › Retail
  - › Health
  - › Education
  - › Recreation and sport
  - › Heritage and the arts
  - › High Speed Connectivity (NBN fibre to the premises)
  - › Entertainment and hospitality
  - › Transition to a younger demographic
  - › SMART Living Innovation, creativity and sustainability.

This should be a priority to leverage Young Aspirationalists who are seeking alternatives to city living as a result of the pandemic concerns with social densities.

- Refresh economic development pages on Council website for communicating the Economic Development Strategy (trade, investment and tourism opportunities), promoting major initiatives useful links and demographics.
- Support initiatives that promote small business training. The majority of jobs growth is expected to be in the Services Sector, and in primarily small to medium sized businesses. This sector will benefit from assistance in adapting to changes in the broader business environment.
- Support Career Development Opportunities and programs (subject to support from relevant State and Commonwealth Agencies) in collaboration with major employers and regional education and training institutions as opportunities arise. The focus should be on:
  - › Retail
  - › Health
  - › Education
  - › Recreation and sport
  - › Heritage and the arts
  - › Construction
  - › Entertainment and hospitality
  - › Renewable and sustainable industries

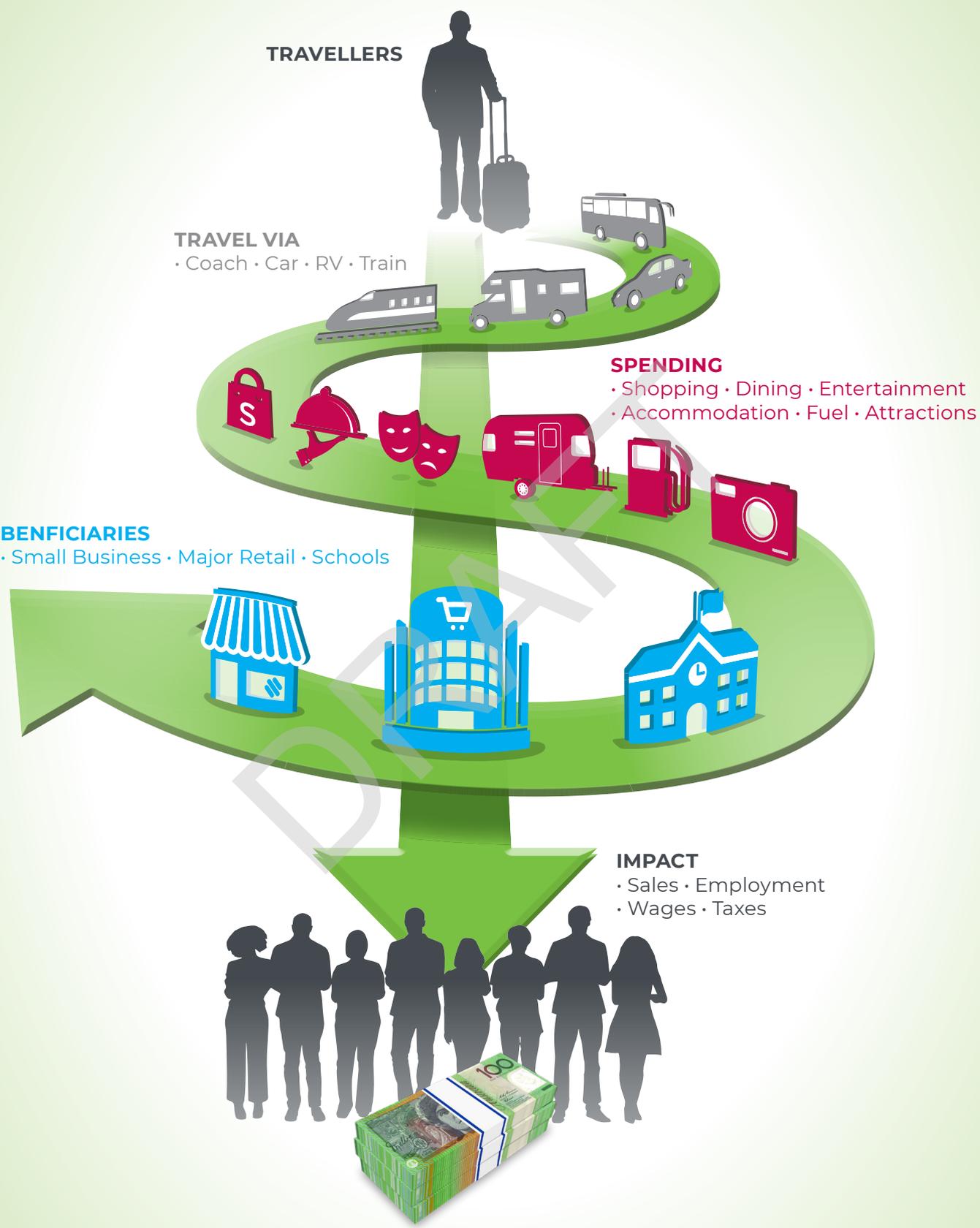
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Action	Responsibility	Resource Implications
Focus on activities identified in the Smart Cities Strategy - promote Smart Living Town outcomes and projects underway.	Town of Gawler	Economic Development staff time (currently not resourced)
Research, create and promote an Economic Development Brand focussed on Smart Living	Town of Gawler GBDG	\$50,000+ (partnered funding)  Economic Development staff time  GBDG staff time
Prepare and Implement an Economic Development and Tourism Signage Strategy (Brand Consistency and Control)	Town of Gawler GBDG	\$30,000 (Consulting Assistance and Signage) (partnered funding?)  Economic Development staff time  GBDG staff time
Build Why Choose Gawler? Tab on website providing economic development information and links as well as information on Gawler's Smart living strategy positioning statement	Town of Gawler	Economic Development staff time
Support Career Development Opportunities and programs	Town of Gawler	Economic Development staff time  Seek funding if available through State and Federal Govt.
Conduct regular economic development and business networking functions/training.	Town of Gawler  Gawler Business Development Group  Regional Development Australia	Economic Development staff time  Gawler Business Development Group staff time  RDA staff time

# Action Plan

Action	Responsibility	Resource Implications
Continue to work with <b>Regional Development Australia</b> for Advocacy for Investment Attraction, Grant Funding and Funding for this EDS and Action Plans	Town of Gawler  Regional Development Australia (BGLAP)  GBDG	Economic Development staff time  RDA staff time  GDG staff time
Implement the Gawler Tourism Plan to increase visitation, leverage business investment and assist with the positioning of Gawler eg Cycling Tourism Strategies	Town of Gawler  Various partners identified in the Tourism Plan	As defined in the Gawler Tourism Plan
Develop and Implement – <b>Transport Connectivity</b> (Day trippers market – local and international) Tourism and Visitor Strategy – e.g. SA's Most Historic Town, Walkable Town and leverage the Barossa, Clare Valley and Flinders bound travellers.	Town of Gawler	Economic Development staff time

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# Pillar 3

## Economic Internationalisation – Tourism, Investment and Export

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It is recommended that Gawler build towards Economic Internationalisation through the development of an export program using building blocks to identify/develop products, services or knowledge/ skills that can be exported to maximise Gawler's market share. For example:

- Connect businesses with identified export potential (being products, services or knowledge/skills) to Government or mentoring programs to build their national reach first.
- Connect businesses with the above export potential to Government or mentoring programs which assist with identifying overseas export markets and support burgeoning exporters.

It is recommended that Gawler form an alliance with educational providers to leverage the extensive educational facilities in the region to focus on secondary and tertiary education export (student attraction) leading to expanded education offerings and future demand for student accommodation, while increasing demand for other regional services by international students and their families who visit the region. This would be a long term strategy, once international travel opportunities resume, and could include collaboration with the local secondary schools, Roseworthy College and contiguous Council education facilities (eg libraries).

In light of the pandemic, opportunities for education programs to be delivered in the online environment has been significantly advanced in Australia. Investigation of how this now more broadly accepted manner of delivery could be leveraged so that students anywhere in the world could study through a facility or service provided from Gawler should be investigated and encouraged or vice versa.

The education export strategy does not need to be limited to formal education systems but could also be expanded to include talented professionals and entrepreneurs packaging up informal courses and education opportunities for international markets; for example the Food Forest permaculture educational courses.

# Action Plan

Action	Responsibility	Resource Implications
Advocate/develop/ support an international export strategy (including promoting opportunity presented by Gawler Smart Living and Trinity Equine program and safety of Gawler for international students.)	Town of Gawler Regional Development Australia	Economic Development staff time RDA staff time
Identify local businesses who could benefit from connection to export programs, markets and mentors including interstate (for products, professional and technical services)	Town of Gawler Regional Development Australia	Economic Development staff time RDA staff time
Seek to leverage Equine Industry Assets to support the development of an International Regional Equine program	Town of Gawler Regional Development Australia	Economic Development staff time RDA staff time
Implement the Gawler Tourism Plan to increase visitation, leverage business investment and assist with the positioning of Gawler eg Cycling Tourism Strategies	Town of Gawler Various partners identified in the Tourism Plan	As defined in the Gawler Tourism Plan

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# Pillar 4

## Physical and Virtual (digital) Clusters

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Cluster development has been a staple of regional economic development strategies, especially where there is a need for expanded activity. The creation of a cluster in a geographical location offers specialisation opportunities, networking, connection with suppliers and supportive services to an industry.

Gawler does not have unrestricted space but is however well placed to develop and implement cluster strategies in the following industries:

- Population services
- Financial Services
- Arts and Culture
- Health Services
- Education
- Recreation and sport – including Equine
- Defence
- Entertainment and Hospitality
- Renewable and sustainable industries

The **Arts and Culture Sector** appears the best opportunity for a physical cluster in Gawler via the establishment of a premier Arts and Culture Precinct to display and promote the area's history, heritage and art, including indigenous art, native foods and culture which would be particularly attractive to European visitors to South Australia. The Civic Centre could be developed as the hub of the cluster with other venues such as the Visitor Information Centre providing the spokes of the precinct.

A specialisation cluster opportunity could be fostered in the development/servicing of Gawler becoming **SA's most liveable town** as part of the Smart Living aspirations of Gawler.

Due to the disparate locations of entities in the other priority industry sectors, it is recommended that Council, in collaboration with the Gawler Business Development Group, establish Virtual Clusters. As previously noted in relation to the construction sector, such virtual clusters could focus on:

- An Online Portal
- Shared information
- Cluster bids for sector projects
- Collaboration on a strategy for Gawler's priority industries.

# Action Plan

Action	Responsibility	Resource Implications
Plan for the Civic Centre to act as the hub for an Arts and Cultural Precinct/Cluster	Town of Gawler GBDG	Economic Development staff time GBDG staff time Potential Civic Centre location
Prepare Business Plan for the Precinct/Cluster – (Civic Centre business plan for precinct arts/culture cluster) – possible link to establishing an entertainment and hospitality cluster	The RDA with support from the Town of Gawler	\$5,000 (Consulting Assistance) Economic Development staff time RDA staff time
Establishment of Virtual Clusters in other priority  Sectors: smart living, population services, financial services, education, defence etc	The RDA with support from the Town of Gawler	\$5,000 (Consulting Assistance) Economic Development staff time RDA staff time
Research Long Term Community Health Needs and Examine the Potential for a Physical Health Hub	The RDA with support from the Town of Gawler	\$10,000 (Consulting Assistance) Economic development staff time RDA staff time

# Action Plan

Action	Responsibility	Resource Implications
<p>Promote Gawler as a Smart Living Town using data and technology to create efficiencies, improve sustainability, create economic development, and enhance quality of life factors for people living and working in Gawler</p>	<p>Town of Gawler in collaboration with the Gawler Business Development Group</p> <p>Business Innovation Hub</p>	<p>Economic Development staff time</p> <p>GBDG staff time</p> <p>BIH Manager support</p>
<p>In line with Smart Living positioning – look for opportunities for clusters eg Sustainability/ technologies. Also business incubator opportunities, development of a jobs strategy and “training passport” opportunities to support multiple industries</p>	<p>Town of Gawler</p> <p>Regional Development Australia</p> <p>Business Innovation Hub</p>	<p>Economic Development staff time</p> <p>GBDG staff time</p> <p>RDA staff time</p> <p>BIH Manager support</p>
<p>Equine performance cluster – leveraging Gawler Racecourse, Trotting precinct, Roseworthy Equine Centre, Trinity Equine program. Race programs for Asian TV market (virtual race days) – mapping the footprint of equine industries.</p>	<p>Town of Gawler</p> <p>Regional Development Australia</p>	<p>Economic Development staff time</p> <p>RDA staff time</p>

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# Pillar 5

## Regional Collaboration

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An important part of economic recovery will include increasing the resilience of local business to economic shock. Leveraging regional opportunities to upskill local small business owners in financial management, marketing and retooling or re-imagining their business (to be more adaptive) would be advantageous in an effort to support/retain local business. This will be particularly important if there is more than one wave of the pandemic in Australia and restrictions need to be reimposed.

Investigating the “Renew Adelaide” model (currently funded through City of Adelaide), or similar programs, could provide an opportunity to fill commercial vacancies (current and future) in an effort to maintain an appropriate retail mix that will continue to attract people to this important regional centre.

Economic and industry development do not stop at local government boundaries, therefore it is important to ensure strong engagement with regional partners continues to occur to build upon economic opportunities in the area. The Economic Reference Group that will oversee the delivery of this strategy have key regional connections through the RDA but further interaction with neighbouring Councils will be needed to leverage economic development across the region to support the local economy, particularly during the economic recovery from the pandemic.

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# Action Plan

Action	Responsibility	Resource Implications
Ensure engagement with regional partners including GAROC North and Regional Development partnering Councils for economic development to leverage regional opportunities	Town of Gawler	CEO and Economic Development staff time
Promote the export of Gawler's skills, services and goods  Regionally attract investment into gawler's target industry sectors from regional businesses	The RDA with support from the Town of Gawler	Economic Development staff time  GBDG staff time  RDA staff time
Use the Virtual Clusters to identify and collaborate on regional export opportunities	The RDA with support from the Town of Gawler	Economic Development staff time  GBDG staff time  RDA staff time
Collaborate on food, water and energy security especially associated regional infrastructure projects	The RDA with support from the Town of Gawler	Economic Development staff time  GBDG staff time  RDA staff time

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Action	Responsibility	Resource Implications
<p><b>Regional Development Australia</b> – continue engagement in higher level strategy and activation/town development support - including opportunities like the revitalisation of a Totally Local program and business upskilling to navigate economic shocks.</p>	<p>Town of Gawler  RDA  GBDG</p>	<p>Economic Development staff time  RDA staff time</p>
<p><b>Business Attraction</b> – investigate collaboration with Renew Adelaide (or similar) to provide attraction of appropriate retail mix and fill Commercial vacancies through a regional collaboration with RDA and State Govt</p>	<p>Town of Gawler  GBDG  Regional Development Australia  State Government</p>	<p>Economic Development staff time  Possible seed funding required? State Govt Grant funding</p>
<p><b>Shared Path Network and Proposed Strategic Cycling Connections</b> – link into high tourism areas within the Barossa</p>	<p>Town of Gawler</p>	<p>Economic development staff time</p>

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# Pillar 6

## Regional Investment

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As previously noted, Gawler's key industry and future development strengths are assessed to be in the following sectors which are well placed to accept future investment in the region:

- Retail
- Health
- Education
- Recreation and sport
- Arts and Culture
- Entertainment and hospitality

Investment in these sectors will offer expanded services not only to Gawler but to contiguous Council regions, and future employment opportunities that will attract a younger demographic.

The development of a suite of investment attraction materials for both public and private investment attraction should be undertaken. An investment profile for the sectors listed above could be promoted as an essential element of the Marketing and Promotion Strategy. The profiles should be developed in collaboration with the Gawler Business Development Group, Regional Development Australia (BGLAP) and in consultation with relevant industry associations and/or prominent companies.

# Action Plan

Action	Responsibility	Resource Implications
Research and preparation of a Gawler Investment Attraction Profile(s)	Town of Gawler with support from the RDAB	(\$10,000 Consulting Assistance) Economic Development staff time RDAB staff time
Promote the Innovation Hub as a Competitive Advantage for Small Firms with High Growth Potential	Business Innovation Hub Manager with support from the Town of Gawler	Business Innovation Hub Manager Economic Development staff time
Local Business Step Up program – support and encourage local business to engage in Council’s procurement process through upskilling, criteria	Town of Gawler GBDG RDAB	Economic Development and procurement teams staff time GBDG staff time
Value Local Business – require local economic benefit and social inclusion criteria in procurements of higher value	Town of Gawler	Procurement Staff time Project Management Staff time

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# Action Plan

Action	Responsibility	Resource Implications
Totally Locally and collaborative business programs to be investigated	Town of Gawler GBDG RDAB	Economic Development staff time  GBDG staff Time  RDA support particularly with Totally Locally (\$??)
Advocate for/leverage Govt funding and programs or support private and Social Enterprises to deliver upskilling programs for the unemployed	Town of Gawler RDAB	Economic Development staff time
Business Relief/Stimulus package FY 2020/2021	Town of Gawler	Finance, Property and Rates team staff time
Leverage external funding where possible to continue to deliver projects that stimulate the economy	Town of Gawler	Economic Development staff time
Continue to engage with the Regional Economic Development Group.	Town of Gawler RDAB	Economic Development staff time  RDAB staff time

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## Implementation, Resources and KPIs

An Economic Development Reference Group which is a collaboration of the Town of Gawler, Gawler Business Innovation Hub, Gawler Business Development Group and Regional Development Australia Barossa Gawler Light Adelaide Plains will assist in steering the delivery of this Economic Development Strategy.

However, the recommended Economic Development Strategy and Action Plan has significant human and financial resource implications for both Council and the Gawler Business Development Group.

It is noted that Council does not have dedicated Economic Development Staff available which is essential for the implementation of this strategy. It is therefore recommended that Council consider ongoing funding of staff resources required to deliver the Strategy when developing its 2021/22 Annual Budget and Business Plan and Long Term Financial Plan.

In addition, Council needs to be mindful of the Gawler Business Development Group's capacity to deliver the actions identified in the Strategy. After all, it is a Council Strategy that is seeking collaborative input.

In terms of priorities and Key Performance Indicators (KPIs), all six pillars are considered of equal importance and that the following key actions/KPIs should be prioritised in 2020/21:

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## **Pillar 1: Mainstreet Activation**

- Develop a long term vision for the ongoing activation of Murray Street – Walker Place Activation plan - Southern Precinct Activation Masterplan defined – potentially Northern Precinct Activation
- Undertake a suite of coordinated activities in the main street of Gawler leveraging Walker Place, Gawler Civic Centre
- Discussion with planners re red tape reduction

## **Pillar 2: Marketing and Promotion**

- Brand Card - Initial work on brand development and creating the community conversation on branding
- Research, create and promote an Economic Development Brand Strategy to identify funding opportunities.

## **Pillar 3: Economic Internationalisation – Tourism, Investment and Export**

- Identify local businesses who could benefit from connection to export programs, markets and mentors

## **Pillar 4: Physical and Virtual Clusters**

- Leverage the Civic Centre as the an Arts and Cultural Precinct/Cluster
- Consolidate a suite of resources on Council website for potential investors assisting with investment identification

## **Pillar 5: Regional Collaboration**

- Formalise the Economic Development Reference group to guide the delivery of the Economic Development Strategy

## **Pillar 6: Regional Investment**

- Economic relief/stimulus package
- High-level investment opportunities prospectus material
- Re-affirming the RDA as the collaboration point for regional investment and connection
- Regional Economic Development Network - continued participation

# Addendum

## Situational Snapshot Pre-Covid

This short situational snapshot consists of information extracted from the work undertaken by Hudson Howells in the development stages of the Gawler Economic Development Strategy pre-covid.

This base data provides a snapshot of Gawler's "normal", where originally the Strategy would have launched from and growth projections that were anticipated at that time.

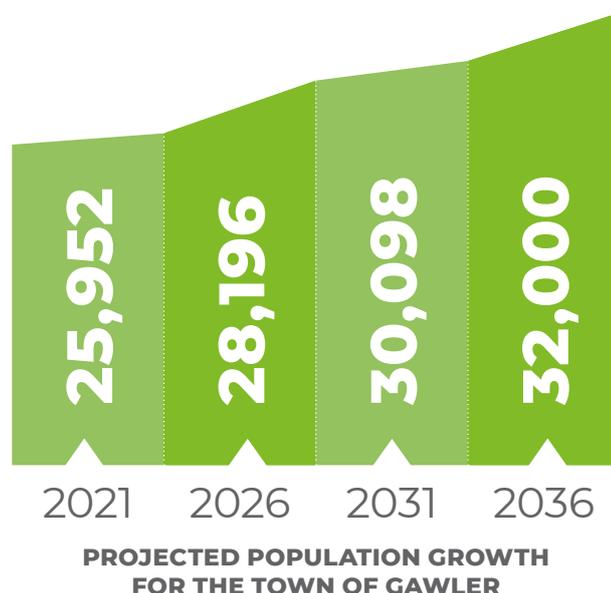
The Stimulus/Relief and Recovery strategies captured within the Strategy will not only assist in retaining and/or returning to previous economic levels but also leverage opportunities for economic growth and business opportunities that have or will result from the positive impacts of the pandemic.

### Town of Gawler Socio-Economic Overview

The Town of Gawler is a local government area in the plains and north of Adelaide. Gawler is located 42 kilometres north of Adelaide at the edge of the metropolitan area and identifies itself as a separate township from Adelaide, acting as a key regional centre for communities to the north of Adelaide. It is a residential and semi-rural area with a land area of approximately 4,100 hectares. European settlers first arrived in Gawler in 1839, however, the municipality of the Town of Gawler was proclaimed in 1857 as one of the first regional Council areas formed in South Australia.

Its estimated resident population as at 30th June 2018 was 24,018 and it is bordered by 4 metropolitan and or regional councils with population and State share comparisons<sup>1</sup> as noted on page 6 of the Economic Development Strategy.

Council has advised that it currently uses the following future population growth projections:



This growth rate of approximately 1.3% pa is twice the state average (SA average - 0.74% for 2026-2031 and 0.65% from 2031 – 2036).

The City's location contiguous to the above Councils, and with easy access to the CBD, has resulted in an enviable socio-economic profile characterised by:

- **One of the largest population growth suburbs in South Australia.** Gawler – South is identified by the ABS as one of the largest (top 10) population growth centres (1.5%) in South Australia in 2017/18<sup>2</sup>. The Town of Gawler's population grew at 1.3% for the year to June 2018 compared with 2.1% for the City of Adelaide and 0.7% for the State<sup>3</sup>. These growth rates are positive when compared to neighbouring councils; Light Regional Council (0.8%), Barossa District Council (1.3%) and City of Playford (1.5%).
- **The Town of Gawler is an area of relative lower disadvantage than Northern Adelaide LGA's City of Playford (855), City of Salisbury (912), and City of Port Adelaide Enfield (936)**<sup>4</sup>. The Town of Gawler has a score of 955 on the Index of Socio-Economic disadvantage. This is lower than neighbouring Light Regional Council (1025) and Barossa District Council (1012).
- A higher average household income than metropolitan Adelaide. Analysis of household income levels in the Town of Gawler in 2016 compared to Greater Adelaide shows that there was a lower proportion of high income households (those earning \$2,500 per week or more) and a lower proportion of low income households (those earning less than \$650 per week). Overall, 11.12% of the households earned a high income and 10.13% were low income households, compared with 13.5% and 23.7% respectively for Greater Adelaide<sup>5</sup>

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1. Source: Australian Bureau of Statistics, Estimated Resident Population, 30th June 201, Cat. No. 3218.0
  2. Source: Australia Bureau of Statistics, 3218.0 - Regional Population Growth, Australia, 2017-18
  3. Source: Hudson Howells calculations based on ABS Regional Population Growth Rates – Cat. No. 3218.0
  4. Source: Australian Bureau of Statistics, 2033.0.55.001 - Census of Population and Housing: Socio-Economic Indexes for Areas (SEIFA), Australia, 2016
  5. Source: Australian Bureau of Statistics, Census of Population and Housing, Gawler (T) LGA Community Profile 2016

The above socio-economic strengths are, however, accompanied by some relatively negative socio-economic characteristics that act as a drag on economic activity in the region including:

- **Higher unemployment rate than metropolitan Adelaide.** As at September 2016, the Town of Gawler's unemployment rate was 9.7% compared with 7.16% for Greater Metropolitan Adelaide<sup>6</sup>.
- **A higher percentage of retirees and older people than metropolitan Adelaide.** As at 2016, Town of Gawler's over 50 population was 9,157 or 39.75% of its 23,034 total population, compared with 34.4% for metropolitan Adelaide<sup>7</sup>.
- **A significantly lower percentage of younger people of tertiary student age, workforce age or young families than Metropolitan Adelaide.** As at 2016, Town of Gawler's 18 – 50 year population was 38.83% of its population, compared with 44.1% for metropolitan Adelaide<sup>8</sup>. The difference of 5.26% is equivalent to 1,211 people who could be expected to have a higher spending profile than older demographics.

The following economic performance data reflect these poor socio-economic performances:

- **Contribution to Gross Regional Product (GRP)** – The Regional Development Australia (RDA) Barossa, Gawler, Light, Adelaide Plains identifies the region's contribution to gross regional product as \$3.52 billion or 3.3% in 2019, lower than its share of State population at 4.21%<sup>9</sup>.
- **GRP per capita** – The RDA Barossa, Gawler, Light and Adelaide Plains GRP per capita (a key economic development measure) was \$48,112 in 2019.
- **Medium Income** – The Town of Gawler had a median income (excluding government allowances) of \$47,129, which was below the median income for Australia at \$48,360, but higher than South Australia at \$46,937.
- **Number of small businesses** – Based on population size, Gawler has a comparatively lower number of small businesses operating in its region than the City of Playford and the Light Regional and Barossa Councils as shown in the following comparison table (for statistical purposes, the Australian Bureau of Statistics defines a small business as an actively trading business with 0–19 employees. Micro businesses are small businesses with 0–4 employees. Actively trading businesses are businesses that have an ABN and are actively remitting in respect of a GST role)<sup>10</sup>.

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6. Source: Australian Bureau of Statistics, Labour force survey catalogue number 6202.0, and Department of Employment, Small Area Labour Markets, March 2016. Compiled and presented in economy.id by .id

7. Source: Hudson Howells calculations based on the Town of Gawler Community Profile – Australian Bureau of Statistics 2016

8. Source: Hudson Howells calculations based on the ABS Community Profile for Gawler.

9. Source: The National Institute of Economic and Industry Research 2019

10. Source: ABS Regional Economic Data Summary by LGA (2018)

## State and Regional

South Australia has benefited in recent years from a lower Australian dollar and low interest rates. These factors are conducive to business investment and are encouraging growth in export-oriented sectors including agriculture, food and beverages, manufacturing, tourism and international education.

A solid pipeline of public sector capital works led by road, water infrastructure, renewables, education and health facilities are also supporting economic activity. Less positively, SA (like other states) is being affected by weak consumer spending and a downturn in residential property markets.

The 2019-20 Budget forecasts that real SA Gross State Product (GSP) will grow by an estimated 2.0% p.a. in 2018-19, unchanged from the previous year. Growth is expected to accelerate to 2.5% p.a. in 2019-20 and then ease to 2.25% in each of the three years to 2022-23. The stronger outlook in 2019-20 is due to an expected boost in SA's winter crop production, assuming a return to more favourable weather conditions. Some of the factors effecting South Australian economic outlook include:

- Public sector investment is expected to continue to support economic growth over the medium term, reflecting sizable government transport, water, electricity, health, education and other infrastructure projects.
- Exports will be supported by a lower Australian dollar, with growth expected across key export sectors including food and beverages, agriculture, mining and tourism. The value of SA's goods exports lifted by 2.3% p.a. in April 2019 led by copper, petroleum products and wine. International education and tourism also continue to perform strongly.
- Employment growth in South Australia slowed in 2018-19. The ABS estimates that employment growth in SA slowed from a recent peak of 2.6% p.a. in April 2018 to 1.5% p.a. in April 2019 (trend). The Budget forecasts employment growth to strengthen back to 2.0% p.a. in 2019-20 and 2.25% p.a. each of the three years to 2022-23.
- Naval shipbuilding and major project activity will help to expand job opportunities over this period, including in supply chain businesses. Rather unusually, this Budget does not provide explicit forecasts for SA's unemployment rate, which was 5.9% as of April 2019 (trend) and largely unchanged from one year earlier. If employment growth slows, as the Budget expects over the next four years, SA's unemployment rate will probably rise back above 6.0%.
- Consumer spending in South Australia is also likely to remain under pressure compounded by low real income growth and high levels of household debt which is constraining discretionary expenditure. A softening global backdrop, subdued growth in consumer spending and the prospect of weaker residential construction over the medium term suggest downside risks to the forecasts of the South Australian Treasury.
- South Australia's economic growth rate historically lags and is generally lower than the Australian average. In many studies and reports on the State's economy this is attributed to South Australia having a lower population growth rate than other mainland States.

There are significant structural differences between the economies of South Australian and the other States which contributes significantly to differences in economic performance. South Australia, historically more heavily reliant on manufacturing and substantially under-represented in services sector activity (business services, transport, etc.), has in the past not been well placed to take advantage of emerging new global opportunities. Also, business downturns bite much deeper in South Australia with much larger negative economic growth rates during recessions. Other key trends include:

### **Investment Climate**

Following a period of sustained investment in public and private sector infrastructure and productive capacity, South Australia should be in a position to offer investors an attractive and competitive environment for business and industrial investment.

### **Private Sector Investment**

Public sector infrastructure investment has provided the confidence for private sector investment in productive capacity for sustained economic growth.

### **Economic Diversification**

Along with the recent mining boom, increased economic diversification will provide further stimulus to the South Australian economy including major defence and community infrastructure projects.

### **Population Growth**

Population growth, an important element of demand sustainability and long term investor confidence, is a key element of the State Government's Strategic Plan which is targeting a population of 2 million people by 2027. The State's aggressive population growth strategy is reflected in recent growth rate trends and a substantial narrowing of the gap between the South Australian and national growth rates.

### **Cost Competitive**

South Australia is the second least costly State to set up and do business in Australia and is the most cost-competitive State in Australia for Research and Development and the Corporate Services industries.

## National Trends

In Australia, there have been some particular developments in recent times that have had important consequences for State and regional economies. These include:

- Conclusion of the economic stimulus projects which contributed to Australia's post-GFC performance.
- Retail slide reflecting consumer uncertainty.
- Climate change and unpredictable weather patterns.
- The roll out of the National Broadband Network (NBN).

The experience in Australia has identified numerous regional problems over recent decades that have demanded the attention of local and state governments. These problems include the sudden economic shocks caused by downturns in "one industry towns" as a result of economic restructuring; the continued emptying of the inland; the ongoing (and increasing) domination of State economies by their capital cities as a result of the processes of globalisation; increasing disparities within and between regions across a wide range of social and economic indicators; and environmental pressures and high unemployment in rapidly growing coastal regions<sup>11</sup>. The causes of regional disparities in investment, growth and employment levels between regions and within regions are complex. Regional development policies must take into account and address a number of divergent economic trends across the State including:

- The limited or declining growth of many smaller, inland towns.
- Persistently high unemployment in a number of regions.
- The rapid population growth in some coastal locations, largely associated with retirement and tourism.
- Dramatic farm adjustment processes which have important consequences for rural communities.
- The steady growth of the major regional centres which are increasingly absorbing government and private sector services, often at the expense of surrounding smaller centres.
- Difficult rural trading conditions accentuated by severe droughts.

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11. Collilits (2000) Small Town Decline and Survival: Trends, Success Factors and Policy Issues, NSW Department of State and Regional Development

Location theory explains why businesses choose to locate in certain areas. These theories focus on least cost models, market area models and profit maximising models. A wide range of factors determines business location decisions, including access to raw materials, labour, skills, support services and markets. Traditionally, transport costs have been important for some industry sectors. Locations seek to attract businesses for obvious reasons – they create direct jobs, as well as two kinds of indirect jobs (“multipliers”).

These are jobs created by the existence of suppliers and service industries, and jobs created by the consumption needs of employees.<sup>12</sup> Increasingly complex and interrelated global, national and local trends are changing the way we live, what we consume, how we work and our economic opportunities, as well as our health and social connections. Infrastructure Australia identified seven significant and interconnected trends for the future of Australia and urban areas including<sup>13</sup>:

1. Quality of life and equity: our quality of life is high, but not everyone benefits equally.
2. Cost of living and incomes: the cost of living is rising for some people, while incomes have not grown substantially.
3. Community preferences and expectations: communities are expecting more customised, real-time and interactive services and products from governments and businesses.
4. Economy and productivity: economic growth is slowing, while our economy is transitioning towards a service and knowledge-based future, which is increasingly located in our cities
5. Population and participation: our population is growing and urbanising, and participation in the workforce is increasing for women and older people.
6. Technology and data: technology is transforming the way we live, but not everyone benefits equally.
7. Environment and resilience: our environment is increasingly vulnerable to the effects of climate change, and our response to reducing emissions is falling behind international progress.

These national trends are also impacting upon the Town of Gawler, and its location between rural and urban areas and factors of production increase the importance of addressing these economic factors and trends.

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12. Collilits (2000) Small Town Decline and Survival: Trends, Success Factors and Policy Issues, NSW Department of State and Regional Development

13. Infrastructure Australia (2019), Australian Infrastructure Audit 2019

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