CITY OF HOBART

AGENDA

ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE MEETING (OPEN PORTION OF THE MEETING)

THURSDAY, 24 MARCH 2016

AT 5.00 PM

THE MISSION

Our mission is to ensure good governance of our capital City.

THE VALUES

The Council is:

about people	We value people – our community, our customers and colleagues.
professional	We take pride in our work.
enterprising	We look for ways to create value.
responsive	We're accessible and focused on service.
inclusive	We respect diversity in people and ideas.
making a difference	We recognise that everything we do shapes Hobart's future.

HOBART 2025 VISION

In 2025 Hobart will be a city that:

- Offers opportunities for all ages and a city for life
- Is recognised for its natural beauty and quality of environment
- Is well governed at a regional and community level
- Achieves good quality development and urban management
- Is highly accessible through efficient transport options
- Builds strong and healthy communities through diversity, participation and empathy
- Is dynamic, vibrant and culturally expressive

TABLE OF CONTENTS

BUSINESS LISTED ON THE AGENDA IS TO BE CONDUCTED IN THE ORDER IN WHICH IT IS SET OUT UNLESS THE COMMITTEE BY SIMPLE MAJORITY DETERMINES OTHERWISE

I, Nicholas David Heath, General Manager of the Hobart City Council, hereby certify that:

1. In accordance with Section 65 of the Local Government Act 1993, the reports in this agenda have been prepared by persons who have the qualifications or the experience necessary to give such advice, information or recommendations included therein.
2. No interests have been notified, pursuant to Section 55(1) of the Local Government Act 1993, other than those that have been advised to the Council.

N Heath

N.D. HEATH
GENERAL MANAGER

ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE AGENDA (OPEN)

Economic Development and Communications Committee (Open Portion of the Meeting) - Thursday, 24 March 2016 at 5.00 pm in the Lady Osborne Room.

Committee Members
Deputy Lord Mayor Christie (Chairman)
Zucco
Ruzicka
Thomas
Denison

Aldermen
Lord Mayor Hickey
Briscoe
Sexton
Burnet
Cocker
Cooper
Reynolds

PRESENT:

APOLOGIES:

LEAVE OF ABSENCE: Alderman T M Denison.

CO-OPTION OF COMMITTEE MEMBERS IN THE EVENT OF A VACANCY

Where a vacancy may exist from time to time on the Committee, the Local Government Act 1993 provides that the Council Committees may fill such a vacancy.

1. MINUTES OF THE OPEN PORTION OF THE MEETING OF THE ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE HELD ON THURSDAY, 25 FEBRUARY 2016 AND A SPECIAL MEETING OF THE ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE HELD ON MONDAY, 7 MARCH 2016

2. CONSIDERATION OF SUPPLEMENTARY ITEMS TO THE AGENDA

In accordance with the requirements of Part 2 Regulation 8 (6) of the Local Government (Meeting Procedures) Regulations 2015, the Committee, by simple majority may approve the consideration of a matter not appearing on the agenda, where the General Manager has reported:

(a) the reason it was not possible to include the matter on the agenda, and
(b) that the matter is urgent, and
(c) that advice has been provided under Section 65 of the Local Government Act 1993.

RECOMMENDATION

That the Committee resolve to deal with any supplementary items not appearing on the agenda, as reported by the General Manager in accordance with the provisions of the Local Government (Meeting Procedures) Regulations 2015.

3. INDICATIONS OF PECUNIARY AND CONFLICTS OF INTEREST

In accordance with Part 2 Regulation 8 (7) of the Local Government (Meeting Procedures) Regulations 2015, the chairman of a meeting is to request Aldermen to indicate whether they have, or are likely to have, a pecuniary interest in any item on the agenda.

In addition, in accordance with the Council's resolution of 14 April 2008, Aldermen are requested to indicate any conflicts of interest in accordance with the Aldermanic Code of Conduct adopted by the Council on 27 August 2007.

Accordingly, Aldermen are requested to advise of pecuniary or conflicts of interest they may have in respect to any matter appearing on the agenda, or any supplementary item to the agenda, which the committee has resolved to deal with, in accordance with Part 2 Regulation 8 (6) of the Local Government (Meeting Procedures) Regulations 2015.

4. TRANSFER OF AGENDA ITEMS

Are there any items which the meeting believes should be transferred from this agenda to the closed agenda or from the closed agenda to the open agenda, in accordance with the procedures allowed under Regulation 15 of the Local Government (Meeting Procedures) Regulations 2015?

5. PRESENTATION – HOBART INTERNATIONAL AIRPORT MASTER PLAN

Ms Mel Percival (General Manager, Airline Marketing and Corporate Affairs) will make a brief presentation regarding the Hobart International Airport Master Plan.

DELEGATION: Committee

Recommendation:

That the information be received and noted.

6. PRESENTATION – BUSINESS EVENTS TASMANIA –SUMMARY OF CONVENTION CENTRE PRE-FEASIBILITY REPORT – FILE REF: 13-15-15

2x's

Mr Stuart Nettlefold (CEO, Business Events Tasmania) will make a brief presentation regarding the key findings of the pre-feasibility study for the development of a convention centre.

DELEGATION: Committee

Recommendation:

That the information be received and noted.

13-15-15
TS:LEK
(s:_data\economic development\council and committee reports\1_march 2015 onwards\economic development and communications\partner organisations\bet\bet memo_converntion centre_pre feasibility study presentation.docx)

16 March, 2016

MEMORANDUM: ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE

PRESENTATION - BUSINESS EVENTS TASMANIA - SUMMARY OF CONVENTION CENTRE PRE-FEASIBILITY REPORT

The Council on 9 June 2015 resolved the following:

That:

1. *The Council note Business Events Tasmania's (BET) request for an increase in funding to $100,000 for the 2015/2016 budget, as per the Memorandum of Understanding between the Hobart City Council and Business Events Tasmania, marked as Attachment A to item 5 of the Open Economic Development and Communications Committee agenda of 28 May 2015, and the continued achievement of outcomes for Hobart.*

2. *The Council maintain funding plus an allowance for CPI at $93,300 and should BET obtain funding from other sources to carry out a feasibility study for the development of a convention centre at Macquarie Point, the Council contribute the amount of $6,700 to the study.*

Subsequent to the above resolution, BET was able to source funding from other sources including the State Government to carry out a pre-feasibility study for the development of a convention centre. As per the Council resolution, the Council contributed $6,700 to this study.

The study was finalised in February 2016. Stuart Nettlefold, CEO of Business Events Tasmania has requested that he attend the Economic Development and Communications Committee on 24 March 2016 to present the key findings and next steps.

(Tim Short)
GROUP MANAGER EXECUTIVE & ECONOMIC DEVELOPMENT

7. FEES AND CHARGES - TASMANIAN TRAVEL AND INFORMATION CENTRE 2016/2017 – FILE REF: 20-50-12

6x's

Report of the Director Community Development and the Manager City Marketing of 16 March 2016, and attachment.

DELEGATION: Council

TO : Economic Development and Communications Committee

FROM : Director Community Development

DATE : 16 March 2016

SUBJECT : **2016/2017 FEES AND CHARGES - TASMANIAN TRAVEL AND INFORMATION CENTRE**

FILE : 21-50-12 LW:AC (o:\council & committee meetings reports\edcc reports\2016 meetings\24 march\fees and charges - ttic - 2016-17.docx)

1. INTRODUCTION

1.1. This report is written to present the proposed fees and charges for the Tasmanian Travel and Information Centre for the 2016/2017 financial year.

2. BACKGROUND

Tasmanian Travel and Information Centre

2.1. The Tasmanian Travel and Information Centre (TTIC) generates revenue by selling prime location advertising options within the 20 Davey Street address and the satellite operations at the Macquarie Wharf 2 cruise terminal and Salamanca Market Information Point.

2.2. There is an increase in the proposed fee of the TTIC's accredited DL sized brochure display. The TTIC continues to attract large amounts of brochures in a limited space and is raising the price as there has been no increase since 2014 and this is a popular advertising opportunity.

2.3. There have also been various increases and decreases to charges across poster displays to attract improved sales in 2016/2017. Posters are being replaced by light boxes which are more visible and a more attractive and versatile advertising proposition.

2.4. There are several new proposed fees for 2016/2017, which include:

(i) A proposed new annual fee of $2,000 for a static electronic display unit advertising retail businesses, located above the TTIC retail area. This unit replaces a poster display that was not sold in 2015/2016;

(ii) A proposed new fee of $2,000 for two new advertising screens replacing existing posters to offer a more flexible display option;

(iii) A proposed new annual fee of $550 for light box posters facing out towards Davey Street as the existing posters are difficult to see and remain unsold in 2015/2016;

(iv) A proposed new fee of $2,700 for an internal A1 light box display unit with brochure display directly beneath;

(v) A proposed fee of $500 per month in peak season, $300 per month in shoulder season and $150 per month in off peak season to rent a screen located inside the TTIC (next to the information counter which also includes a brochure display underneath);

(vi) A proposed fee of $3,800 per annum to rent a corner wall display;

(vii) A proposed fee of $5,000 per annum to rent a prime wall space facing the entrance with 1 square metre floor space; and

(viii) A proposed fee of $2,000 per annum to rent 1 square metre floor space.

3. PROPOSAL

3.1. It is proposed that the attached schedule of fees and charges for the Tasmanian Travel and Information Centre be implemented for the 2016/2017 financial year.

4. STRATEGIC PLANNING IMPLICATIONS

4.1. The change of existing advertising properties and the increase or decrease of advertising fees align with Strategic Objective *1.4.1 Ensure Council owned assets reflect visitor requirements* and *1.4.2 Engage and continue to work with the tourism sector* of the Capital City Strategic Plan 2015-2025.

5. FINANCIAL IMPLICATIONS

5.1. Funding Source(s)

5.1.1. Fees and Charges for the Tasmanian Travel and Information Centre are accounted for within the 2016/2017 Community Development Division.

5.2. Impact on Current Year Operating Result

5.2.1. The 2016/2017 proposed fees and charges for the Tasmanian Travel and Information Centre will see an approximate 0.43 per cent increase in income totalling $848.56.

5.3. Impact on Future Years' Financial Result

5.3.1. The impact on future years' financial results would be subject to the Council's annual review process of fees and charges.

5.4. Asset Related Implications

5.4.1. None are foreseen.

6. CONCLUSION

6.1. This report contains the recommended fees and charges for the Tasmanian Travel and Information Centre for 2016/2017.

7. RECOMMENDATION

That:

7.1. The report (o:\council & committee meetings reports\edcc reports\2016 meetings\24 march\fees and charges - ttic - 2016-17.docx) be received and noted.

7.2. The attached schedule of fees and charges for the Tasmanian Travel and Information Centre be implemented for the 2016/2017 financial year.

As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.

(Iris Goetzki)
MANAGER CITY MARKETING

(Philip Holliday)
DIRECTOR COMMUNITY DEVELOPMENT

Attachment A: Schedule of TTIC Fees and Charges for 2016/2017 (3)

Attachment A

Proposed 2016-17 Fees & Charges: 140 - Tasmanian Travel and Information Centre

Account Number	Description	2014-15 Actual excl. GST	2015-16 Budget excl. GST	2015-16 YTD excl. GST	2015-16 YTD Budget excl. GST	2016-17 Estimate excl. GST
140.7071.2279.340	Salamanca Info - Brochure Display	-6,351.15	-6,000.00	-9,178.63	-6,000.00	
140.7071.2279.341	Salamanca Info - Advertising Display	0.00	-750.00	-558.83	-750.00	
140.7073.2279.000	Events Conf/Taste Salamanca	-152.42	0.00	0.00	0.00	
140.7073.2279.340	Events Conf/Taste Salamanca - Brochure Display	-4,063.20	-1,570.00	-4,655.94	-1,570.00	
140.7073.2279.341	Events Conf/Taste Salamanca - Advertising Display	-57.84	0.00	18.18	0.00	
140.7081.2279.343	Industry Partnerships	-204.54	0.00	0.00	0.00	
140.7082.2279.000	Front Office	-2.81	0.00	0.00	0.00	
140.7082.2279.340	Front Office - Brochure Display	-80,546.86	-77,130.00	-71,721.40	-77,130.00	
140.7082.2279.341	Front Office - Advertising Display	-79,424.82	-92,500.00	-58,405.79	-80,250.00	
140.7082.2279.804	Front Office - MONA Advertising	-9,259.10	0.00	0.00	0.00	
140.7085.2279.350	Skill Development - Trade Shows	-2,814.04	-4,500.00	-270.23	-3,000.00	
140.7087.2279.340	Cruise Ship Services - Brochure Display	-1,774.96	-1,515.00	-2,544.94	-1,515.00	
140.7087.2279.341	Cruise Ship Services - Advertising Display	-709.09	0.00	0.00	0.00	
140.7087.2279.342	Cruise Ship Services - Cruise Industry Promotions	-11,994.10	-12,500.00	-10,490.89	-12,500.00	
140 - Tasmanian Travel and Information Centre		**197,354.93**	**196,465.00**	**157,808.47**	**182,715.00**	**197,313.56**
				Change from 2015-16 to 2016-17		**0.43%**

Fee Description	2014-2015 Fee incl. GST	2015-2016 Fee incl. GST	Pricing Method	Last Changed (type *New Fee* if applicable)	Proposed Fee 2016 - 2017 incl. GST	Fee includes GST (Y/N)	GST $	Unit	% Variation	Estimated Quantity	Estimated Income excl. GST	Comment
BROCHURE DISPLAYS												
Non-tourism Accredited												
DL Brochure	$275.00	$275.00	Market Pricing	2011/12	$275.00	Y	$25.00	Each	0%	15	$3,750.00	No change same as 2015/2016
A4/A5 Brochure	$495.00	$495.00	Market Pricing	2011/12	$495.00	Y	$45.00	Each	0%	0	$0.00	Decrease in quantity because nil sales 2015/2016
Tourism Accredited												
DL Brochure	$192.50	$192.50	Market Pricing	2011/12	$210.00	Y	$19.09	Each	9%	199	$37,991.09	Increased display as no increase since Feb 2014
A4/A5 Brochure	$385.00	$385.00	Market Pricing	2011/12	$385.00	Y	$35.00	Each	0%	40	$14,000.00	No change same as 2015/2016
Brochure Package all locations DL	$275.00	$300.00	Market Pricing	2013/14	$330.00	Y	$30.00	Each	10%	45	$13,500.00	Increase in fee as increased exposure at new Salamanca Market Info Booth.
Brochure Package all locations A4	$475.00	$535.00		2014/15	$535.00	Y	$48.64	Each	0%	5	$2,431.80	No Increase due to slow takeup.
ADVERTISING DISPLAYS												
A1 Internal Landscape Poster	$880.00	$880.00	Market Pricing	2013/14	$880.00	Y	$80.00	Each	0%		$0.00	Removed as all landscape posters changed to new Lightbox option.
A1 Internal Landscape Light box		$1,000.00		2015/16	$1,000.00	Y	$90.91	Each	0%	15	$13,636.35	Increased amount of lightboxs projected to be sold as the A1 Poster option has been removed.
A1 Prime Curved Poster	$2,000.00	$2,000.00	Market Pricing	2011/12	$2,000.00	Y	$181.82	Each	0%		$0.00	Removed and replacing with Electronic Static Displays.
A1 Prime Retail Position Static Electronic Display				New Fee	$2,000.00	Y	$181.82	Each		1	$1,818.18	Replacing existing Prime Curved Posters
A1 Prime Position Static Electronic Display				New Fee	$2,000.00	Y	$181.82	Each		2	$3,636.36	New fee to replace existing Prime Curved Posters
A1 Prime Angled Poster	$2,500.00	$2,500.00	Market Pricing	2014/15	$2,500.00	Y	$227.27	Each	0%	2	$4,545.46	No change same as 2015/2016
Plasma Screens Centre Combination	$440.00	$440.00	Market Pricing	2013/14	$440.00	Y	$40.00	Each	0%	12	$4,800.00	Decreased projection of sales due to reduced sales in 2015/2016
Screen Package Salamanca and Centre		$450.00	Market Pricing	2015/16	$475.00	Y	$43.18	Each	6%	10	$4,318.20	No change same as 2015/2016

Fee Description	2014-2015 Fee incl. GST	2015-2016 Fee incl. GST	Pricing Method	Last Changed (type New Fee if applicable)	Proposed Fee 2016 - 2017 incl. GST	Fee includes GST (Y/N)	GST $	Unit	% Variation	Estimated Quantity	Estimated Income excl. GST	Comment
RTA/LTA Plasma Annual charge	$5,500.00	$5,500.00	Market Pricing	2013/14	$5,500.00	Y	$500.00	Each	0%		$0.00	Removed no longer an option
Hobart Promition Screen		$3,000.00		2015/16	$3,000.00	Y	$272.73	Each	0%	1	$2,727.27	No change same as 2015/2016
A3 Poster												
A3 Poster - Annum charge	$350.00	$350.00	Market Pricing	2013/14	$350.00	Y	$31.82	Each	0%	15	$4,772.70	No change
A3 Poster Package - Poster + 3 DL Brochures		$645.00	Market Pricing	2015/16	$680.00	Y	$61.82	Each	5%	10	$6,181.80	Increase due to increase in Accredited DL Brochure Price
A1 Windows												
A1 Window - Internal Annual charge	$1,700.00	$1,700.00	Market Pricing	2012/13	$1,700.00	Y	$154.55	Each	0%		$0.00	Removed due to 2015/2016 sales electing for brochure units
A1 Window - External Annual charge	$770.00	$770.00	Market Pricing	2013/14	$770.00	Y	$70.00	Each	0%		$0.00	Replaced with A1 Window Light Boxes External
A1 Window - Light Box External				New Fee	$550.00	Y	$50.00	Each		5	$2,500.00	Poster replaced to lightboxes to increase visibility and salebility, fee increased top accomodate increased cost
A1 Window Internal - With Brochure Unit	$2,200.00	$2,200.00	Market Pricing	2013/14	$2,200.00	Y	$200.00	Each	0%		$0.00	Removed changed to A1 Window Light Box Internal with Brochure Units.
A1 Window Light Box Internal - With Brochure Unit				New Fee	$2,700.00	Y	$245.45	Each		6	$14,727.30	New fee as existing poster displays have been changed to light boxes to increase visibility and saleability, increase in fee to compensate for additonal cost
Web Site	$55.00	$55.00	Market Pricing	2011/12	$55.00	Y	$5.00	Each	0%	3	$150.00	No change same as 2015/2016
TVIN Phone APP												
Hobart Region (Price set by TVIN)	$250.00	$250.00	Market Pricing	2013/14	$250.00	Y	$22.73	Each	0%	2	$454.54	No change same as 2015/2016
Specials Board Weekly Fees												
Special Board - Peak Season	$110.00	$110.00	Market Pricing	2011/12	$110.00	Y	$10.00	Each	0%	20	$2,000.00	No change same as 2015/2016
Special Board - Non-Peak Season	$55.00	$55.00	Market Pricing	2011/12	$75.00	Y	$6.82	Each	36%	27	$1,840.86	Increase related to sales 2015/2016
Featured Business of the week												
Special Rack - Peak Season	$90.00	$90.00	Market Pricing	2014/15	$90.00	Y	$8.18	Each	0%	15	$1,227.30	No change same as 2015/2016
Special Rack - Non-Peak Season	$40.00	$40.00	Market Pricing	2014/15	$40.00	Y	$3.64	Each	0%	15	$545.40	No change same as 2015/2016
Prime Position												
Exclusive Offer 1 LCD and Floor	$8,800.00	$8,800.00	Market Pricing	2013/14	$8,800.00	Y	$800.00	Each	0%	1	$8,000.00	No change as same as 2015/2016
Exclusive Offer 2 LCD and Brochures	$5,500.00	$3,500.00	Market Pricing	2013/14	$3,500.00	Y	$318.18	Each	0%		$0.00	Removed changed to Peak Shoulder & Off Peak monthly options.
Exclusive Offer 2 LCD & Brochures - Peak				New Fee	$500.00	Y	$45.45	Each		3	$1,363.65	No change same as 2015/2016
Exclusive Offer 2 LCD & Brochures - Shoulder				New Fee	$300.00	Y	$27.27	Each		3	$818.19	No change same as 2015/2016
Exclusive Offer 2 LCD & Brochures - Off Peak				New Fee	$150.00	Y	$13.64	Each		4	$545.44	No change same as 2015/2016
Exclusive Offer 3 Wall Banner	$3,800.00	$3,800.00	Market Pricing	2013/14	$3,200.00	Y	$290.91	Each	-16%	1	$2,909.09	Reduced fee due to market pressure as product did not sell as expected in 2015/2016.
Exclusive Offer 4 Floor space and Wall	$4,400.00	$4,400.00	Market Pricing	2013/14	$3,500.00	Y	$318.18	Each	-20%	1	$3,181.82	Reduced fee due to market pressure as product did not sell as expected in 2015/2016.
Exclusive Offer 5 Plasma Display	$3,000.00	$3,000.00	Market Pricing	2014/15	$3,000.00	Y	$272.73	Each	0%	1	$2,727.27	No change
Exclusive Offer 6 Retail	$9,000.00	$9,000.00	Market Pricing	2014/15	$9,000.00	Y	$818.18	Each	0%		$0.00	Removed replaced with retail stock and large fridge

Fee Description	2014-2015 Fee incl. GST	2015-2016 Fee incl. GST	Pricing Method	Last Changed (type *New Fee* if applicable)	Proposed Fee 2016 - 2017 incl. GST	Fee includes GST (Y/N)	GST $	Unit	% Variation	Estimated Quantity	Estimated Income excl. GST	Comment
Exclusive Offer 6 Corner Wall Display				New Fee	$3,800.00	Y	$345.45	Each		1	$3,454.55	New fee to accomodate display for Tassielink
Exclusive Offer 7 Wall Display		$3,800.00	Market Pricing	2015/16	$3,800.00	Y	$345.45	Each	0%		$0.00	Removed replaced with floor and wall display
Exclusive Offer 7 1sq Mtr Floor & Wall Display				New Fee	$5,000.00	Y	$454.55	Each		1	$4,545.45	New fee prime position opposite front door
Exclusive Offer 8 1mtr Floor Space				New Fee	$2,000.00	Y	$181.82	Each		1	$1,818.18	New fee to accomodate display for Bruny Island Safaris
Salamanca Market												
Port Arthur Historic Stand	$2,750.00	$3,200.00	Market Pricing	2012/13	$3,200.00	Y	$290.91	Each	0%	1	$2,909.09	No change same as 2015/2016
Cruise Ship Arrival Guide												
Advertising incl Brochures in Terminal	$726.00	$780.00	Market Pricing	2013/14	$800.00	Y	$72.73	Each	3%	18	$13,090.86	Increase in fee related to high demand for product
Cruise Terminal Brochure Display												
Brochure Display - DL	$110.00	$160.00	Market Pricing	2014/15	$160.00	Y	$14.55	Each	0%	10	$1,454.50	No change same as 2015/2016
Brochure Display - A4	$137.50	$240.00	Market Pricing	2014/15	$240.00	Y	$21.82	Each	0%	4	$872.72	No change same as 2015/2016
Salamanca Market												
Brochure Display - DL only	$75.00	$100.00	Market Pricing	2014/15	$100.00	Y	$9.09	Each	0%	16	$1,454.56	No change same as 2015/2016
Brochure Display - A4 only	$100.00	$150.00	Market Pricing	2014/15	$150.00	Y	$13.64	Each	0%	4	$545.44	No change same as 2015/2016
Salamanca Plasma Screen Display		$75.00	Market Pricing	2015/16	$75.00	Y	$6.82	Each	0%	10	$681.80	No change same as 2015/2016
Screen + DL Brochure		$150.00	Market Pricing	2015/16	$150.00	Y	$13.64	Each	0%	10	$1,363.60	No change same as 2015/2016
Screen + A4 Brochure		$200.00	Market Pricing	2015/16	$200.00	Y	$18.18	Each	0%	10	$1,818.20	No change same as 2015/2016
Taste Festival												
Brochure Display - DL only	$55.00	$55.00	Market Pricing	2014/15	$55.00	Y	$5.00	Each	0%	25	$1,250.00	No change same as 2015/2016
Brochure Display - A4 only	$75.00	$75.00	Market Pricing	2014/15	$75.00	Y	$6.82	Each	0%	4	$272.72	No change same as 2015/2016
Conference												
Conference Bags		$55.00	Market Pricing	2015/16	$55.00	Y	$5.00	Each	0%	10	$500.00	No change same as 2015/2016
Conference Assistance		$200.00	Market Pricing	2015/16	$200.00	Y	$18.18	Each	0%	1	$181.82	No change same as 2015/2016

8. GAPS AND OPPORTUNITIES REPORT SUMMARY – FILE REF: 10-6-1

102x's

Report of the Group Manager Executive and Economic Development of 16 March 2016, and attachments.

DELEGATION: Council

TO : General Manager

FROM : Group Manager Executive & Economic Development

DATE : 16 March, 2016

SUBJECT : **GAPS AND OPPORTUNITIES REPORT SUMMARY**

FILE : 10-6-1 :LEK (s:_data\economic development\council and committee reports\1_march 2015 onwards\economic development and communications\strategic\report for edcc_gaps and opportunities report summary 24032016_v1.docx)

1. INTRODUCTION

1.1. The Council on 13 July 2015 resolved:

That the Council agree to a mid-term review of the current Economic Development Strategy, following the completion of a 'gaps and opportunities' report.

1.2. This report presents a summary of the recently completed 'Gaps and Opportunities' Report.

2. BACKGROUND

2.1. The current Economic Development Strategy (EDS) covers the period 2013-2018 and was adopted in October 2013. At this time, the Council also requested that six monthly updates be provided on the progress of delivery against the strategy.

2.2. At the last six monthly update (update 3), presented to Executive Leadership Team and the Economic Development and Communications Committee (EDCC) in June 2015, it was noted that delivery against elements of the EDS was becoming increasingly difficult. This was due to the fact the economy had changed significantly between 2013 and 2015, rendering aspects of the strategy less relevant.

2.3. Ten changes to the current EDS were proposed by Council Officers in the June / July 2015 report to EDCC and Council but it was proposed that before such changes were incorporated into a revised EDS that a gaps and opportunities study of the city was conducted.

2.4. The gaps and opportunities analysis would consider aspects of the city including:

- Current economic base;
- Contribution of different sectors to the local economy;

- Economic advantages and challenges in the local government area;
- The role of the City of Hobart in addressing some of the challenges and maximising the advantages; and
- Stakeholder consultation.

2.5. This extensive analysis would then be used to reconsider the ten recommended changes to the EDS. It was felt that this thinking would enrich the mid term-review process and thus aid in the creation of a relevant and deliverable revised Economic Development Strategy covering the period 2016-2018.

2.6. It was also felt that the gaps and opportunities report would provide important benchmark data that would serve as a valuable reference point for comparison with past and future economic analyses.

Gaps and Opportunities Report Summary

2.7. The study was completed by AEC Group Ltd between September 2015 and March 2016 and involved the following process:

Economic Context	Stakeholder Consultation	Gaps & Opportunities
• Detailed data collection and analysis to develop an economic baseline • Economic overview of overall economy, industries and other relevant factors • Precinct based economic analysis • Influencing factors and trends	• Validate and test baseline data • Identify gaps and opportunties for development and growth not identified through the initial analysis • Explore solutions to constraints	• Competitive Strengths • Opportunties for growth • Delivery & implementation requirements • Roles and responsibilities

2.8. A two part report has been created by AEC Group. The first part (**Attachment A**) is a background report containing extensive desktop data research and analysis prior to stakeholder consultation.

2.9. **Attachment B** is the final report that brings together all of the analysis and consultation to provide a summary of the current situation, identify a range of potential opportunities for economic development and consider the role the City of Hobart in facilitating the solutions.

2.10. The following are identified and discussed in the final report. They are regarded as priorities (although they are in no specific order):

- Short Term Visitor Accommodation Market Needs Analysis;
- Night Time Economy Strategy;

- Greater Hobart Investment Prospectus;
- International Capacity Building Program;
- International Economic Cooperation Agreements/ Addendums;
- Hobart's Innovation Events Forum;
- Communications Action Plan; and
- Business Engagement Plan (including Business Survey).

2.11. The above priorities were derived from the following identified 'opportunities for growth' which fall under four main categories: visitor attraction and support, emerging industries, strategic partnerships and communication and networking. The following are discussed in detail in both attachments A and B.

<u>1) Visitor Attraction and Support</u>

Enabling Tourism Infrastructure

-Hotel Development
-Hobart Convention Centre
-Cruise Ship Market
-Mount Wellington

Destination Development

-The MONA Effect
-Industry Skills Development Program
-Destination Management Plan

<u>2) Emerging Industries</u>

Health Care & Social Assistance
Antarctic Sector Development

-Established and New Market Development
-Relationship Development
-Infrastructure

International Education

<u>3) Strategic Partnerships</u>

CBD Activation
Hobart International Airport
Regional Collaboration on Investment Attraction Priorities
International Relations

<u>4) Communication and Networking</u>

Hobart's Innovation Events Forum
Communications Action Plan
Business Engagement Plan

3. PROPOSAL

3.1. It is proposed that the Council receive and note the attached gaps and opportunities report.

3.2. It is further proposed that the Council endorse the use of the gaps and opportunities report as part of the mid-term review of the current Economic Development Strategy (2013-2018).

4. IMPLEMENTATION

4.1. The gaps and opportunities report will be used as a part of a mid-term review of the current EDS.

4.2. Following this analysis, the EDS 2013-2018 will be revised and brought back to Council for endorsement in the first half of 2016. This revised EDS will cover the period 2016-2018.

5. STRATEGIC PLANNING IMPLICATIONS

5.1. 1.1.2 of the Council's Annual Plan 2015-2016 states that Council will:

Undertake a significant mid-term review of the current Economic Development Strategy.

6. COMMERCIAL OPPORTUNITIES

6.1. By virtue of its nature, the economic development strategy both current and future will affect the way in which the Council interacts with businesses and the nature of these interactions may have commercial implications. The gaps and opportunities report for example recommends an international capacity building program. Such a program could for instance deliver training to local businesses to assist them in maximising sales opportunities in China (this is an obvious commercial opportunity).

7. FINANCIAL IMPLICATIONS

7.1. Funding Source(s)

7.1.1. The gaps and opportunities report has been funded from the Economic Development Unit's budget.

7.2. Impact on Current Year Operating Result

7.2.1. The gaps and opportunities report has been funded from the unit's budget for 2015/2016 at a cost of $21,827.27 (exc GST).

7.3. Impact on Future Years' Financial Result

7.3.1. Not applicable.

7.4. Asset Related Implications

7.4.1. Not applicable.

8. RISK MANAGEMENT IMPLICATIONS

8.1. There is a risk that work conducted against a five year strategy can become dated and less relevant as times change. This report advocates a mid-term review of existing Economic Development Strategy. This is a risk mitigation in itself.

9. LEGAL IMPLICATIONS

9.1. There are no legal implications resulting from the delivery of the Economic Development Strategy at the macro level. Legal implications are considered for every proposal submitted to the Council by the Economic Development Unit.

10. SOCIAL IMPLICATIONS

10.1. Social implications will arise as the revised EDS is delivered against. These specific implications will be considered on a report by report basis.

11. CUSTOMER IMPLICATIONS

11.1. The stakeholder consultation element of the gaps and opportunities analysis represents a proactive stance from the Council in regard to customer implications. A number of issues were highlighted by the business community that were fed into the gaps and opportunities analysis and will therefore be incorporated into the mid-term review of the EDS.

12. DELEGATION

12.1. This matter is one for Council.

13. CONSULTATION

13.1. General Manager.

14. CONCLUSION

14.1. The need for a mid-term review of the current Economic Development Strategy (2013-2018) was endorsed by the Council in July 2015.

14.2. The Council also supported the commissioning of a gaps and opportunities analysis of the city that would be used to enrich the mid-term review process of the Economic Development Strategy.

14.3. The gaps and opportunities analysis (Attachment A and B) is summarised in this report and will be used to assist in the development of a revised Economic Development Strategy that will be taken to Council in the first half of 2016.

15. RECOMMENDATION

That:

15.1. ***The report :lek(s:_data\economic development\council and committee reports\1_march 2015 onwards\economic development and communications\strategic\report for edcc_gaps and opportunities report summary 24032016_v1.docx) be received and noted.***

15.2. ***The Council endorse the use of the gaps and opportunities report marked Attachment A and Attachment B to this report as part of the mid-term review of the current Economic Development Strategy (2013-2018).***

As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.

(Tim Short)
GROUP MANAGER EXECUTIVE & ECONOMIC DEVELOPMENT

Attachments
Attachment A: Gaps and Opportunities Study (Background Report)
Attachment B: Gaps and Opportunities Study (Final Report)

Attachment A

Gaps and Opportunities Study

City of Hobart

Background Report

September, 2015

AECgroup
Outcome Driven

Document Control

Job ID:	18068BNE
Job Name:	Gaps and Opportunities Study
Client:	Hobart City Council
Client Contact:	Lucy Knott
Project Manager:	Nick McGuire
Email:	nick.mcguire@aecgroupltd.com
Telephone:	07 3831 0577
Document Name:	CITY OF HOBART Background Report
Last Saved:	16/3/2016 8:37 AM

Version	Date	Reviewed	Approved
Draft v1.0	1 October, 2015	NM	NM
Final	16 March 2016	NM	NM

Executive Summary

Background and Scope

The City of Hobart endorsed the current Economic Development Strategy 2013-18 (EDS) in October 2013. Economic conditions have changed since then and it is believed that some of the actions encompassed in the EDS lack current relevance to the City of Hobart.

Hobart City Council engaged AEC Group Pty Ltd (AEC) to undertake a study of the City of Hobart to inform a mid-term review of the EDS. This study will aid Council in reviewing the relevance of the EDS in the current economic climate and if appropriate will inform new themes for a refreshed EDS. This economic data will also provide a valuable reference point for comparison with past and future economic analyses.

Purpose of this Report

This Background Paper is an interim report based on desktop data research and analysis and has not yet benefited from input through regional stakeholder consultation.

This report is intended to provide a first pass at the data baseline for the City of Hobart LGA and its sub-precincts as a starting point and guide for discussions.

The content of this report will be adapted and incorporated into the revised Economic Development Strategy for the City of Hobart.

Table of Contents

1. Introduction

1.1 Project Background

The City of Hobart economic environment has a strong emphasis around traditional industries, such as government services, health care and professional services. These sectors are largely driven by the needs of the resident population. The projected population growth for the area is limited. It is therefore vitally important the City of Hobart explore and develop other opportunities to assist in diversifying and growing the economy.

The City of Hobart has strong competitive advantages in areas such as education and research, through institutions such as the University of Tasmania and the Australian Antarctic Division. These strategic assets have the potential to generate major opportunities to boost the economic profile of the City. The City of Hobart is also the capital of the state, an obvious visitor node for the majority of tourists to Tasmania and the gateway to many of the state's natural attractions.

1.2 Project Scope and Process

The City of Hobart endorsed the current Economic Development Strategy 2013-18 (EDS) in October 2013. Economic conditions have changed since the endorsement, and some actions encompassed in the EDS now lack current significance and relevance to the City of Hobart.

Hobart City Council engaged AEC Group Pty Ltd (AEC) to undertake a study of the City of Hobart to inform a mid-term review of the EDS. This study comprises an extensive gathering and analysis of data, as well as consultation with a diverse range of stakeholders to identify economic gaps and opportunities across the city. This study will aid Council in reviewing the relevance of the EDS in the current economic climate and if appropriate will inform new themes for a refreshed EDS. This economic data will also provide a valuable reference point for comparison with past and future economic analyses.

The project has three key stages:

Figure 1.1. Project Overview

Economic Context	Stakeholder Consultation	Gaps & Opportunities
• Detailed data collection and analysis to develop an economic baseline • Economic overview of overall economy, industries and other relevant factors • Precinct based economic analysis • Influencing factors and trends	• Validate and test baseline data • Identify gaps and opportunities for development and growth not identified through the initial analysis • Explore solutions to constraints	• Competitive Strengths • Opportunities for growth • Delivery & implementation requirements • Roles and responsibilities

Source: AEC

Key deliverables from the project include:

- Background Report
- Gaps and Opportunities Report

1.3 Data and Geography

This document provides a summary and interpretation of the available desktop data collated and examined in the development of the report. The detailed data on which the content of this report is based is included in Appendix A. A definition of Gross Regional Product and the method by which it is produced is included in Appendix B.

The focus of this study is the City of Hobart local government area (LGA). To assist in identifying gaps and opportunities comparisons have been made with surrounding LGAs (Kingborough, Clarence, Sorrell and Brighton), the Greater Hobart Statistical Division (SD) and Tasmania and Australia where relevant.

Information and data has also been provided at a key precinct level to better assist in understanding the critical role different parts of the City play in contributing to the local economy. In line with the project brief these precincts include:

- Inner City
- Sandy Bay Road
- North Hobart and Surrounds
- Lower Sandy Bay
- South Hobart
- Lenah Valley, and
- Battery Point.

The ‘data geographies’ used to define these precincts is contained in Appendix C for economic data sets (relating to employment driven by Destination Zone data geographies) and Appendix D for social and population data (relating to the Census of population and housing driven by Statistical Area 1 data geographies).

2. Socio-Economic Overview of Hobart

2.1 Economy

Gross Regional Product (GRP) estimates were developed for the Hobart LGA across the 2006-07 to 2013-14 period to understand recent economic performance as well as the respective contribution of key industries. GRP estimates were also included for the Greater Hobart SD, Tasmania and Australia for benchmarking purposes (see Appendix B)

- Hobart LGA had an estimated GRP of approximately $6.0 billion in 2013-2014, which corresponds to approximately 52% of Greater Hobart's GRP and approximately 24% of Tasmania's GRP for the same period.
- The Hobart LGA has experienced stronger economic growth compared to the benchmark regions with average annual growth in GRP in the Hobart LGA across the 2006-07 to 2013-14 period (4.1% per annum) compared to Greater Hobart (3.6% per annum) and Tasmania (2.8% per annum).
- Key industries across Hobart LGA, in terms of Industry Value Added (IVA), comprise:
    - **Public administration and safety** (representing approximately 14% of industry value added across Hobart LGA), given a strong presence of local, state and federal government department offices and associated activities in the Hobart CBD especially.
    - **Health care and social assistance** (approximately 12%), with the presence of the Royal Hobart Hospital, Tasmania's largest hospital, as well as numerous health care and social assistance providers in the city.
    - **Financial and insurance services** (approximately 10%), with various small, medium and large institutions and corporations scattered across the Hobart CBD that serve not only the Hobart LGA market but also the broader Hobart area as well as the larger Tasmanian market.
    - **Education and training** (approximately 8%), as a result of the University of Tasmania, TasTAFE facilities, training facilities and various other education establishments.
- White collar (as well as some service) industries represent the key drivers of the Hobart LGA economy (in terms of industry value added). Blue collar industries (i.e. construction, transport, postal and warehousing and wholesale trade) represent relatively modest drivers of the Hobart LGA economy in terms of both absolute contribution and the percentage share they make compared to benchmark areas. Hobart LGA's profile is nonetheless consistent with that of other inner metropolitan areas across Australia.

2.2 Employment

2.2.1 Labour Force (place of residence)

- Following a period of comparatively slower growth, the labour market has improved recently (from early 2014), resulting in an increase in the number of jobs and decrease in the unemployment rate across Hobart LGA, as well as benchmark areas. This has been partially driven by the tourism industry (i.e. additional visitors and expenditure) contributing to increased employment in tourism-related industries as well as associated industries. Similarly, business confidence has also been recovering, with Tasmania in general recording higher levels of business confidence than nationally recently, according to the latest Tasmanian budget paper. Furthermore, the devaluation in the dollar is providing support to most of Hobart's and the State's export focussed industries.

- The Hobart LGA has traditionally yielded a lower unemployment rate compared to the benchmark regions of Greater Hobart and Tasmania. In addition, the unemployment rate in Hobart LGA has increased more modestly (from approximately 3.2% to 4.4% across the 2011-2014 period) compared to the benchmark areas, reflecting a stronger demand for labour in Hobart LGA than across Greater Hobart as well as Tasmania. Nonetheless, this trend is also expected to be a result of slower growth in the labour force in Hobart LGA (0.3% per annum), compared to Greater Hobart (0.4%) and Tasmania (0.7%).

2.2.2 Employment By Industry

- Employment (place of work) for the Hobart LGA reflects and highlights similar sectors to those identified as contributing strong economic value (i.e. industry value added). White collar dominated industries comprise the majority of employment across the Hobart LGA, with a comparatively small proportion of those employed in blue collar dominated industries (i.e. manufacturing), which is consistent with the profile of inner metropolitan areas.
- Key sectors comprise:
    - Public administration and safety (approximately 17% of employment);
    - Health care and social assistance (16%); and
    - Education and training (10%).
- These sectors had also the largest employment growth across the 2006 to 2011 period: public administration and safety (approximately 950 additional jobs), health care and social assistance (425 additional jobs), education and training (559 additional jobs). However, there was a drop of approximately 500 jobs in retail trade, despite this the industry continues to one of the major employers in the city.
- Professionals, clerical and administrative workers and managers comprise the largest occupations in Hobart LGA, reflecting the importance of white collar dominated industries.
- While unemployment levels in the Hobart LGA are comparably low, a large portion of the labour force are working across areas such as Public administration and safety and Health care and social assistance, which presents a challenge as these industries are driven by factors such as population growth rather than driving economic growth (as say manufacturing has the potential to do). The need for jobs in these industries will continue and provides a stable employment base for residents, but a focus on industries that will contribute to diversifying the economy will become increasingly important in stimulating economic growth.
- Outside of the traditionally strong industries of Public administration and safety and Health care and social assistance, the major growth in job numbers by industry were in the areas of Professional, scientific and technical services (297) and Education and training (559). These figures appear to have a direct connection to the valuable contribution research and education provides via institutions such as the University of Tasmania, Menzies Research Centre, Australian Antarctic Division and Antarctic Climate & Ecosystems CRC which present opportunities to develop core competitive advantages around.
- Another industry that grew significantly during the 2006-2011 period was Arts and recreation services. While the actual job numbers are not high this is a fair indicator of the contribution that MONA (Museum of Old and New Art) is having on the Greater Hobart economy and highlights this as an area of future focus to ensure this sector continues to grow.

2.2.2.1 *Precinct Employment*

Employment by industry in 2011 has also been extracted for the various precincts within Hobart LGA. Such data is based on destination zones (DZs) the smallest area for which place of work data is available from the ABS. An outline of the precinct boundaries based on DZs is shown in Appendix C.

- Overall employment within the precincts varies significantly, with the Inner City precinct comprising the largest concentration of workers (20,722 workers in 2011), representing just under 50% of jobs across all precincts combined, thus highlighting its strategic importance to the broader region. Other 'larger precincts' include North Hobart and Surrounds (7,552), Battery Point (4,853) and Sandy Bay Road (3,960).
- The industry profile also varies significantly between precincts:
  - Employment in public administration and safety is primarily concentrated in the Inner City precinct in both relative and absolute terms (more than 7,200 workers and representing approximately 35.2% of workers within the precinct). In particular, the Inner City precinct comprises approximately 82% of all jobs in public administration and safety within the Hobart LGA. Although with a significantly smaller number of workers, Battery Point (almost 700 workers) and North Hobart and Surrounds (approximately 450 workers) represent other 'key precincts' for employment in public administration and safety.
  - Employment in education and training is mainly concentrated within the Sandy Bay Road precinct (approximately 1,650 workers) and the North Hobart and Surrounds precinct (approximately 1,120 workers) as a result of UTAS and other educational facilities. Together, these two precincts comprise approximately 66% of jobs in education and training within the Hobart LGA.
  - Employment in health care and social assistance is relatively more balanced across the various precincts, with the Inner City precinct comprising approximately 47% of the jobs within this sector (more than 3,400 workers), primarily as a result of the Royal Hobart Hospital. Health care and social assistance represents the largest employer in Lower Sandy Bay, South Hobart, New Town and Lenah Valley, though significantly smaller in absolute terms compared to the Inner City precinct.
  - There are 861 Professional, scientific and technical service jobs at Battery Point where a major portion of the Antarctic related business is located.

2.2.3 Business Profile

The Following section is based on Australian Business Register information from the ABS. Whilst this serves as the most accurate source of information for business registrations it does have a series of limitations (e.g. it records the place of registration, not all offices/ shops) and should be interpreted with caution.

- Business profile data highlights 4.8% growth in total business numbers in Hobart LGA in the 2009-2013 period, compared to negative growth across Tasmania, at -0.5%, in the same period. This is expected to partially reflect the stronger economic and employment growth across the Hobart LGA within this period.
- Hobart LGA comprises a larger proportion of businesses in white collar industries, reflective of its industry profile, such as health care and social assistance, professional, scientific and technical services. On the other hand, Tasmania comprises a relatively more balanced business profile, given its industry mix, and a larger proportion of businesses in blue collar industries, such as construction and transport, postal and warehousing compared to Hobart LGA.
- Hobart LGA also comprises a somewhat larger proportion of medium to large businesses compared to Tasmania, given the presence of various large corporations and institutions.

- 7.1% (or a total of 421) of businesses have a turnover of $2 million or more. It is important to get an understanding of who these businesses are and what the influencing factors are that have the potential to cause positive or negative change to their business. It is important to build relationships with these businesses and where possible work collaboratively with them to support growth opportunities and mitigate against challenges.
- 26.5% (or a total of 1,572) of businesses have a turnover between zero to $50,000. So while it is important to understand and work with the bigger businesses in town, it is equally important to identify opportunities to support these smaller businesses establish and grow (particularly when the percentage of businesses in this range is so high).
- 58.6% of businesses in the Hobart LGA are sole operators (i.e. non-employing). It would provide a valuable insight into the confidence of the local business community if it were known what the intention these businesses have regarding the future employment of additional staff (e.g. over the next 5 years) and then monitor this. This type of Business Confidence survey can be used to guide workforce development priorities as well.

2.2.4 Journey to Work

- In 2011 of the employed residents of the Hobart LGA of which there are 23,846:
  - 71.5% (17,050) also work in the Hobart LGA (i.e. a self-containment rate of 71.5%)
  - 21.6% (5,155) leave the Hobart LGA, but work within the area defined as Greater Hobart:
    - Glenorchy LGA (9.4%)
    - Clarence LGA (6.1%)
    - Kingborough LGA (3.3%)
    - Brighton LGA (0.6%)
    - Sorrell LGA (0.3%)
    - Other (Place of Work provided as Greater Hobart) (1.9%).
  - A small percentage of Hobart residents also travel long distances to work (e.g. Launceston (0.2%) and Burnie (0.1%)).
- Of the workers employed in the Hobart LGA just 37.1% of these workers also live in Hobart LGA. This highlights a significant inflow of workers into Hobart LGA for work (i.e. a self-sufficiency rate of 269%)
  - 62.2% come from within relatively close proximity to the Hobart LGA, including:
    - 20.7% from Clarence LGA
    - 15.6% from Glenorchy LGA
    - 14.3% from Kingborough LGA
    - 11.6% from other areas.

2.3 Population and Demographics

2.3.1 Population

- Population in the Hobart LGA has grown at an annual rate of 0.5% across the 2001 to 2014 period, representing an increase of approximately 250 people per annum. All benchmark areas recorded higher average annual growth rates. While annual growth has generally trended downwards, there appears to be a reversal of this trend since 2011, with increasing annual growth rates across both Hobart LGA and comparison areas.
- Population data in 2011 has also been extracted for the various precincts within Hobart LGA (based on Statistical Area 1 (SA1s)), the smallest area for which population and housing data is available from the ABS. An outline of the precinct boundaries, based on SA1s is shown in Appendix D.
- Precincts generally had a population between 1,000-2,500 people in 2011, with North Hobart and Surrounds and New Town precincts representing the most populated precincts, with a population of approximately 2,600 each.

2.3.1.1 Projections

- Population projections have been sourced from the latest publication by the Tasmanian Department of Treasury and Finance. The projections have been rebased taking into the account the latest Estimated Resident Population data released by the ABS (2015).
- The Hobart LGA is forecast to grow from a population of approximately 50,600 people in 2014 to approximately 53,900 in 2037, representing an average growth rate of 0.3% per annum (or approximately 140 persons per annum). Greater Hobart is projected to have similar growth rates 0.3% per annum, while Tasmania's population is projected to remain relatively unchanged. These, however, are significantly slower growth rates than those projected for Australia (1.2% per annum across the 2014-37 period).

2.3.2 Migration

- Domestic arrivals are the most significant inflow to Tasmania, between 10,056 and 13,443 per year (2006 to 2014), with international arrivals accounting for 3,440 to 4,290 per year (2006 to 2013).
- Similarly, domestic departures are also the most significant outflow, between 11,034 and 13,176 per year, with international departures at 2,010 to 2,480 per year.
- In recent years, Tasmania has experienced a negative net outcome relating to total migration, (more people departing than arriving) with the net figure varying from -682 to -1,442 people per year, whereas Australia has experienced positive migration figures, consistently an increase of around 1% of overall population per year.
- The Local Government Areas that are receiving the most significant net domestic inflows to Tasmania are Kingborough, Latrobe, Brighton, Clarence and Sorell; the most significant net domestic outflows are from Glenorchy, Launceston and Hobart LGAs.

2.3.3 Age Profile

- Hobart LGA has a relatively younger age profile (median age 38.8 years) than Tasmania (41.5 years) in 2014, though relatively similar to Australia (37.3 years). In particular, Hobart LGA's population has been ageing, with the median age increasing by more than 3 years in the 2001 to 2014 period. However, an ageing population is consistent with the general trend occurring across Australia. Nonetheless, Tasmania appears to be ageing at a significantly higher rate than the Hobart LGA.
- There is a large discrepancy in the demographic and the age profile across the precincts. Inner areas and university precincts comprise younger demographics and thus a lower median age i.e. median age of 36 years within the Inner City and Sandy Bay Road precincts. However, other precincts, such as South Hobart and New Town, comprise a comparatively larger proportion of those aged 65+, thus contributing to a significantly higher median age, of 48 years and 42 years respectively.

2.3.4 Household Composition

- Families comprise the large majority of households (approximately 59%) in Hobart LGA. However, such proportion is significantly smaller than across Tasmania (69%) and Australia (71%). As such, Hobart LGA comprises a much larger share of single person and group households.
- Household composition varies significantly amongst precincts given the differing dwelling structures and dwelling densities that are observed. In particular, some inner areas such as Inner City precinct comprise an almost equal proportion of family households and single person households, given a large proportion of units and apartments and younger demographics. However, other areas such as Lower Sandy Bay precinct, comprise a significantly larger proportion of family households compared to single person households as a result of a larger proportion of detached dwellings as well as older demographics.

2.3.5 Dwelling Structure

- Detached dwellings comprise the majority of dwellings (approximately 68% of dwellings) across the Hobart LGA. However, benchmark areas highlight a significantly larger proportion of detached dwellings (76% across Australia and 86% across Tasmania). Hobart LGA, as a result, is more biased to medium and high density housing (i.e. townhouses and apartments) than comparison areas, which is consistent with the dwelling structure found across other inner metropolitan areas.
- Dwelling structure varies significantly amongst precincts given the different dwelling densities. In particular, outer areas such as New Town and Lenah Valley precincts comprise a large proportion (two thirds or more) of detached dwellings, while inner areas such as Inner City and Battery Point precincts comprise mainly semi-detached dwellings and flat, units and apartments, reflecting higher dwelling densities.

2.4 Tourism

Tourism Tasmania sources its data through Tourism Research Australia (TRA) and also conducts its own visitor surveys. AEC sources all of its tourism data through TRA, this explains if there are any discrepancies between the data in this report and other data used by Council.

2.4.1 Visitors by Type

- Hobart LGA has a smaller share of day trip visitors than Greater Hobart and Tasmania, but a larger share of domestic overnight and international visitors.

2.4.2 Share of Visitation

- Hobart LGA has received between 1.27 and 1.60 million visitors per year since 2006.
- Hobart LGA, despite only accounting for 24% of Greater Hobart's population and 10% of Tasmania's population, accounts for:
  - 49.0% of Greater Hobart's day trip visitors and 12.5%% of Tasmania's.
  - 82.4% of Greater Hobart's domestic overnight visitors and 21.3% of Tasmania's.
  - 95.9% of Greater Hobart's international visitors and 75.8% of Tasmania's.
  - 65.5% of Greater Hobart's total visitors and 21.3% of Tasmania's total visitors.
- This highlights Hobart LGA's importance to Tasmania as an overnight destination, especially for international visitors.

2.4.3 Reason for Visit

- Holiday/ leisure is the dominant reason for visit to Hobart LGA (around 50%), consistent with Greater Hobart and Tasmania.
- Hobart LGA does have a larger share of Business visitation and a lower share of Visiting friends and relatives visitation than Greater Hobart and Tasmania, driven by the presence of the CBD and a smaller local population.

2.4.4 Visitor Origin

- Just more than half of all visitors to Hobart LGA come from elsewhere in Tasmania – this figure is much larger for Greater Hobart (65.5%) and Tasmania as a whole (83.3%).
- Around 40% of Hobart LGA visitors come from another state, compared to around 30% for Greater Hobart and around 15% for Tasmania as a whole.
- Hobart LGA's international visitor share is 8.0% compared to 5.5% for Greater Hobart and 2.3% for Tasmania as a whole.

2.4.5 Average Length of Stay

- International visitors tend to stay for much longer periods than their domestic overnight counterparts, which is to be expected.
- Visitor lengths of stay in Hobart LGA are consistent with Greater Hobart, but shorter than for Tasmania as a whole.

2.4.6 Tourism Expenditure

- Since 2006, visitors have spent $628-$1,056 million per year in Hobart LGA, $878-$1,237 million in Greater Hobart and $2,294-$2,967 million in Tasmania.
- The majority of this is spent by domestic overnight visitors, followed by international visitors (except for Tasmania as a whole where day trip visitors contribute the second most expenditure).

3. Influencing Factors and Trends

There are a range of different local and regional, and macro factors and trends that have the potential to influence the region. A summary of these is provided in the table below.

Table 3.1. Key Influencing Factors

Demand Driver	Description	Expected Impact
Local and Regional Factors		
Population Growth	• Population growth is often associated with increased economic growth and employment opportunities in a region	**Prevailing Negative Influence:** • Limited population growth over a long period of time has an impact on things like consumer and business confidence and also impacts upon local reinvestment and business attraction. • The larger industries in Hobart are generally population driven, eg Public administration and safety, Health care & social assistance, Education & training and Retail trade. Therefore limited population growth impacts upon the future growth of these predominantly government led sectors. • Population growth also has the potential to impact upon the capacity of government to invest in infrastructure required to facilitate population growth. Given the limited population growth projected for the Hobart LGA there is an important role for Council to play in working with other levels of government to advocate for critical infrastructure that will drive economic growth.
Demographic Factors	• The demographic profile (and relevant recent trends) have implications for future demand for services such as schools and hospitals, infrastructure, as well as the availability of labour to support industry/business growth	**Positive and Negative Influence:** • The Hobart LGA is an ageing population with a fairly traditional household composition structure. • This presents opportunities in relation to new markets needed to service this demographic, but it also places increased pressure on existing infrastructure and services and with relatively stagnant population growth there is potentially a lack of revenue being generated to finance future requirements. • This situation presents opportunities for Hobart City Council and other key stakeholders to explore alternative revenue streams and highlights the need to work collaboratively at a regional and state level to deliver critical services now and into the future. • This also highlights the need to review the existing policy and planning framework to assess what can be done in identified locations to facilitate catalyst development that has the potential to lead to greater population numbers and employment centres.
Tourism	• Tourism covers the services provided to international and domestic visitors. Key drivers tend to be domestic and international trips within and to Australia, visitor nights, the trade-weighted index and general consumer sentiment.	**Prevailing Positive Influence**: • Tourism is a key sector for Hobart, leveraging a range of natural and built assets which make it an attractive holiday destination. • There is an opportunity for Hobart to further develop the 'night time economy' within the CBD to continue to evolve and diversify the tourism offerings across the City. Product focusing on food, music and culture have the potential to create high levels of vibrancy in the precinct. • There is an opportunity to benefit from the 'MONA effect' through the development/ attraction of new cultural tourism related products. This is a relatively new and growing market and MONA is building a level of brand awareness that presents a range of opportunities. • There are a number of proposed hotels with development approval in Hobart, which present a range of direct and flow on benefits. There is also believed to be the need for a new convention facility to increase the level of events that can be attracted into the City.

Demand Driver	Description	Expected Impact
	Macro Factors	
The Asian Century	• Economies and populations in developing nations in Asia are growing rapidly. The continual growth of the middle-class across Asia is expected to present an increasing array of opportunities for Australia, specifically through increase in demand for our goods and services.	**Prevailing Positive Influence:** • The recent visit of the Chinese President, Xi Jinping, along with the signing of a Sister City agreement with Xi'an earlier this year and the letter of intent signed with Fuzhou, presents significant opportunities to develop relationships in China that have the potential to generate export and investment outcomes for local businesses with the appropriate capabilities. • Hobart City Council can play a role in ensuring local businesses with international capabilities are export and/ or investment ready through the provision of capacity building workshops. • It is important the current and planned Sister City agreements have a strong focus on economic outcomes and that the relationship is viewed as mutually beneficial. • Education within this market should continue to be a priority industry. With UTAS planning to double their international student intake over the next decade, it is important that Hobart City Council, UTAS and other stakeholders work together to achieve this.
Urbanisation	• Australians are increasingly anticipated to gravitate towards metropolitan areas and larger regional towns.	**Prevailing Positive Influence:** • There is an opportunity for the Hobart LGA to play a role over the coming years in presenting an alternative to living in major capital cities whilst still providing locals with key infrastructure and lifestyle benefits. This is emphasised by the comparatively cheaper cost of living in Hobart. • It is important to highlight the demand for infrastructure to support this growth is vital in ensuring regions are able to fully leverage the economic growth that comes with urbanisation.
Ageing Population	• Australia is experiencing an ageing of its population likely due to families, on average, having fewer children, while recent technological advancements are allowing us to live longer. • Australia's population aged 75 and over is expected to rise by 4 million between 2012 and 2060 (increasing from 6.4% to 14.4% of the Australian population).	**Positive & Negative Influence:** • As the Australian population continues to age, there will be enhanced opportunities to capture and leverage related expansions of certain markets, such as health care and residential accommodation. • At the same time, ageing may further escalate skills shortages and it remains critical that investment is made to address foreseeable shortages. • Based on the age profile comparison the Hobart LGA has fewer people between the ages of 5 to 54, and significantly more over the age of 55, supporting the fact Hobart has an ageing population. Accommodating higher numbers of older persons will likely require increased infrastructure provision, in terms of hospitals, aged care and residential care facilities. • Dealing with this challenge is not traditionally seen as the role of Local Government, but it will take a collaborative approach across all levels of government to turn this challenge into an opportunity while at the same time addressing the needs of the community. Hobart City Council could play a lead role in advocating for identified priorities and coordinating the involvement of all relevant stakeholders.
Technology	• Technology is pivotal in diminishing boundaries, to the benefit of residents and businesses across regional areas.	**Prevailing Positive Influence:** • Residents in the region are better connected with the outside world than ever before. This provides residents and businesses with access to more work opportunities, services and lifestyle options. • The majority of the Hobart LGA has access to the NBN, which enables improved access to technology and faster speeds. • Businesses have opportunities to leverage the internet and social media to access their markets and improve customer service. Small businesses in particular can leverage this technology. • There is an opportunity for Hobart City Council to connect local businesses to relevant programs being delivered, eg the Department of State Growth's 'Digital Ready for Business' program. If a gap still exists where relevant programs are not being delivered then Council should consider facilitating the provision of relevant courses to assist in diversifying the local economy. • There is also an opportunity for Council to consider the implementation of free to the public Wi-Fi in the inner city, catering for the basic needs of the tourist and community.

Demand Driver	Description	Expected Impact
Home Based Work	• A growing proportion of workers around the world are choosing to work from home, as technological advancements have made working from home a more viable option for both employees and employers.	**Prevailing Positive Influence:** • Australians are now able to make choices about where they want to live and work based on their preferred location for lifestyle, amenity and other activities. • Home-based work could be a key driver of population attraction to the region as workers no longer need to live where they work and can choose where to live based on lifestyle preferences, as long as adequate bandwidth is available.
Shifting Consumer Trends and Preferences	• Consumer expenditure is increasingly trending towards housing costs such as mortgage repayments and rents, as well as expenditure on internet and TV fees. At the same time, Australian households are continuing to save a relatively high proportion of their disposable income. Consumers are starting to consider online retailing as a means of shopping.	**Prevailing Positive Influence** • The retail sector is constantly changing as consumer's preferences shift in response to new trends and economic factors. Some of the key features of consumer behaviour which are impacting the retail industry include: o Household savings o A gradual shift of consumption from goods towards services o Online retailing • Retail is an important sector in the greater Hobart area, forming 8.9% of employment by industry in 2011. Local retailers will need to be innovative and responsive to local needs in order to remain in demand. • It is critical to help local businesses understand how technology can improve business efficiency and expand their market reach. • If the gap exists then running seminars for local businesses on delivering online retailing or strengthening capabilities in customer service to mitigate the effects of online retailing as well as other applicable topics could assist in supporting this industry. If the programs run by the Department of State Growth fulfil this need then Council has a role in connecting local businesses to these. • The cheaper cost of living in Tasmania compared to the mainland, and in particular cities such as Sydney and Melbourne makes the Hobart LGA an attractive destination for people seeking a more cost effective lifestyle.
Innovation	• Innovation and productivity growth are essential elements in improving living standards.	**Prevailing Positive Influence:** • Leverage existing strengths and relationships with UTAS and the various research organisations, such as the Commonwealth Scientific and Industrial Research Organisation (CSIRO), is essential if Hobart is to realise opportunities to continue to grow as a leading learning and innovation region.
Need for Basic Infrastructure	• Infrastructure plays a crucial role in driving business investment, growth and productivity. Today, both the private and public sector are placing more efforts on developing basic infrastructure in Australia to promote the growth of our economy and provide for a sustainable growing population.	**Prevailing Positive Influence** • Over $1.7 billion in public and private infrastructure investment recently. • Hobart City Council and other key stakeholders across the state and at a regional level need to continue to be innovative and identify alternative revenue streams for delivering critical infrastructure that will facilitate population and employment growth.

4. Strategic Assets

This section identifies the strategic assets (unique built and natural) in a region, which can be used to leverage prevailing competitive advantages and development opportunities to promote economic growth.

The following table provides an overview of the key strategic assets for the Hobart LGA. Essential to economic development is the ability to leverage local strategic assets. Key infrastructure (a component of the strategic assets assessment) is essential to providing baseline services, which enable business and population attraction to the region. Insufficient infrastructure provision can be a deterrent to business and population attraction, undertaking infrastructure upgrades and investments ahead of demand is often required.

Table 4.1. Key Strategic Assets

Type of Influence	Hobart
Natural Environment	• Derwent River – Hobart is referred to as "a City shaped and defined by water", which supports the fact that the river and its associated infrastructure is a major strength for the Hobart LGA. • Deep water port – 2nd deepest natural harbour in the world • Mount Wellington • Over 60% of the Hobart LGA is native vegetation

Infrastructure	• Interconnected road transport system: The Southern Outlet, The Tasman Highway, The Domain Highway, Brooker Highway
	• Port: Port of Hobart – Constitution Dock and Victoria Dock, administered by the Tasmanian Ports Corporation
	• Air: Hobart International Airport (in City of Clarence LGA)
	• Others include:
	  ○ Macquarie Wharf Cruise Ship passenger terminal
	  ○ Macquarie Point railyards (current development site)
	  ○ National Broadband Network – first State connected

Innovation, Research and Education	• UTAS – more than 29,000 students from 120 countries, with the majority based in Hobart • Antarctic Sector • World class research hub
Antarctic Sector	• World class research hub • One of five international gateways to Antarctica with opportunity to attract and support other countries to use Hobart as their base • Some of the key players include – Australian Antarctic Division, French Antarctic Program (IPEV), Antarctic Climate & Ecosystems CRC, Institute for Marine and Antarctic Studies, CSIRO Division of Marine and Atmospheric Research, Integrated Marine Observing System (IMOS), Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR)and the Tasmanian Polar Network
Employment Facilities and Support Services	• State and Commonwealth Government Agencies are located in the Hobart CBD • Health: Royal Hobart Hospital • Education: Primary and secondary schools, TasTAFE & UTAS • Research: CSIRO and the Menzies Institute (medical research)
Tourism, Heritage & Creative Arts	• MONA and associated festivals • Festivals and Events – Taste of Tasmania, Sydney to Hobart Yacht Race, Salamanca Markets, Festival of Voices • Extensive history of Hobart and surrounding area • Constitution Dock • Gateway to nearby natural attractions

5. Summary

The key takeaways from the competitive assessment and all other data analysed that are anticipated to be explored through consultation include:

- There are a number of high level and catalytic development opportunities that are already underway. Local Government should engage with key stakeholders and identify/ understand what can be done from a Local Government point of view to support these broader initiatives. A sample of these include:
  - The attraction and establishment of further Antarctic sector and supply chain related activities
  - Research, leveraging the natural environment and the Antarctic sector should be pursued
  - Cultural and heritage tourism, leveraging the history of Hobart and surrounds as well as key built assets such as MONA and other institutions that present as world class hero assets with many ancillary supporting activities for the local area.
  - Lobbying and planning for aged care and ageing in place programs to support current and anticipated future needs
  - The attraction of international students and the continued development of the education and training sector in general
- The comparably cheaper cost of living in the Hobart LGA and Tasmania in general with technology enhancements, shifting consumer preferences and an increasingly mobile/ home based workforce will likely see many people select a lifestyle opportunity and work from Hobart. This has the capacity to contribute to the attraction of residents and businesses that can progress the diversification of the local economy.
- There are a very high number of individual traders and small businesses in Hobart. Should each of these business on average take on one additional employee this would increase employment by approximately 5,000 new jobs. Identifying and understanding the needs of small business and connecting them with existing assistance programs will be key in driving 'organic' jobs growth.
- There is a need to maintain basic infrastructure (water, power, sewer, telecommunications), while at the same time advocating for improved infrastructure so that Hobart continues to be a desirable place to live and establish / expand business. Evidence to support this comes from the Journey to Work data. In 2011 there were 28,857 people travelling into the Hobart LGA each day for work purposes. As the population across the region continues to grow this has the potential to place increased pressure on transport infrastructure in the Hobart LGA.
- Create an activated and urban feel to the Hobart CBD, including a focus on developing the night time economy. This will be critical to attract and retain the 'next generation' of workers who are increasingly mobile. The competitive advantage of Hobart as a capital city in Australia with relatively cheaper accommodation and housing options is key to getting the future creatives and researchers interested in and committed to Hobart. This will also benefit and support an enhanced tourism sector. This aspect could be used to leverage the attraction of additional professional and financial services employees/ businesses.
- Leveraging Sister City relationships: Maintain cultural links but increase economic links through existing and proposed Sister City agreements.

References

ABS (2007). *Census of Population and Housing, 2006*. Cat. No. 2068.0. ABS, Canberra.

ABS (2012). *Census of Population and Housing, 2011*. Cat. No. 2001.0. ABS, Canberra.

ABS (2015a). *Counts of Australian Businesses, including Entries and Exits 2009-2013*. Cat. No. 8165.0. ABS, Canberra.

ABS (2015b). *Migration, Australia 2013-14*. Cat. No. 3412.0. ABS, Canberra.

ABS (2015c). *Population by Age and Sex, Regions of Australia, 2014*. Cat. No. 3235.0. ABS, Canberra.

ABS (2015d). *Regional Population Growth, Australia, 2001-2014*. Cat. No. 3218.0. ABS, Canberra.

AEC (2014). *2012-13 Gross Regional Product Estimates for LGAs in Australia*. Unpublished data produced by AEC Group Pty Ltd.

Department of Employment (2015). *Small Area Labour Market.* Available from: https://employment.gov.au/small-area-labour-markets-publication. Last Accessed 12 August 2015.

Department of Treasury and Finance (2014). *Population Projections.* Available from: http://www.treasury.tas.gov.au/domino/dtf/dtf.nsf/v-ecopol/397D0680E5DCC583CA257CEC0005F727. Last Accessed 10 August 2015.

Tourism Research Australia (2011). *Travel expenditure by domestic and international visitors in Australia's regions, 1999-2010*. TRA, Canberra.

Tourism Research Australia (2013). *Regional Tourism Profiles 2011/12*. TRA, Canberra.

Tourism Research Australia (2014). *Regional Tourism Profiles 2012/13*. TRA, Canberra.

Tourism Research Australia (2015a). *National and International Visitor Survey*. TRA, Canberra.

Tourism Research Australia (2015b). *Tourism Region Profiles, 2013-14*. TRA, Canberra.

Appendix A: Socio-Economic Data

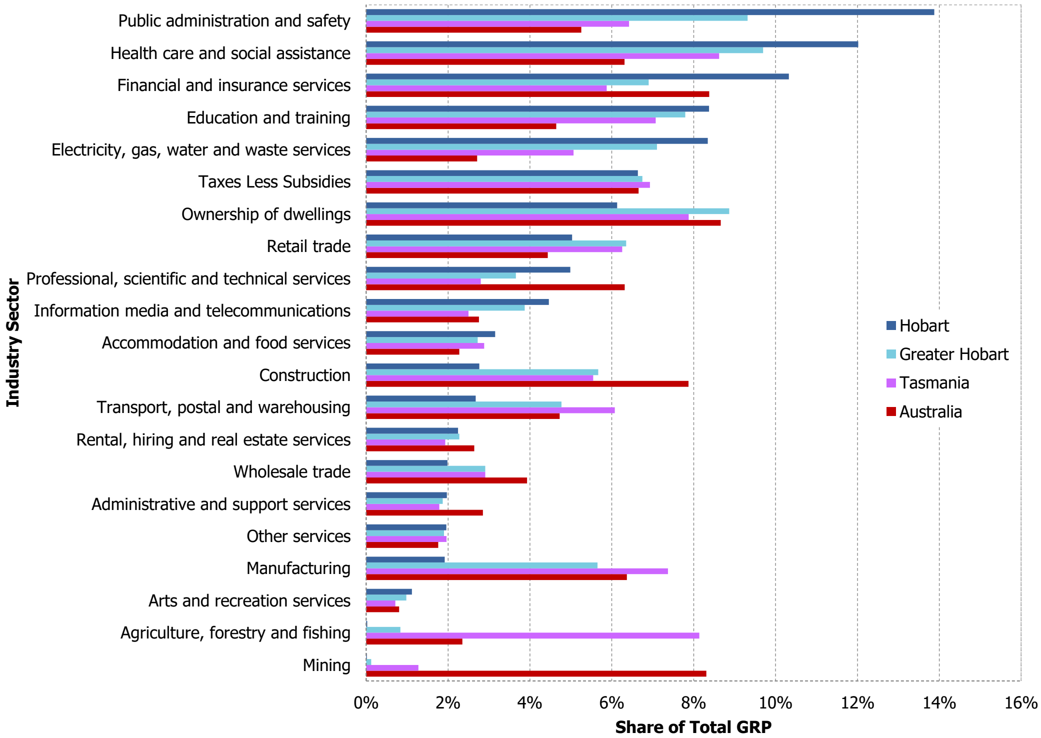
Economy

Table A1: Gross Regional Product, Hobart LGA vs. Comparison Regions, 2006/07-2013/14

Year	Hobart LGA	Greater Hobart	Tasmania	Australia
2006-07	$4,599.77	$9,119.26	$20,633.00	$1,087,030.00
2007-08	$4,857.69	$9,621.48	$21,735.00	$1,178,419.00
2008-09	$4,949.31	$9,686.30	$21,967.00	$1,258,069.00
2009-10	$5,437.84	$10,596.06	$23,417.00	$1,295,728.00
2010-11	$5,794.93	$11,153.55	$24,346.00	$1,407,871.00
2011-12	$5,877.66	$11,301.57	$24,494.00	$1,488,031.00
2012-13	$6,019.28	$11,466.85	$24,608.00	$1,520,944.00
2013-14	$6,075.02	$11,650.46	$25,052.00	$1,583,560.00
Avg. % Growth P.A.	4.1%	3.6%	2.8%	5.5%

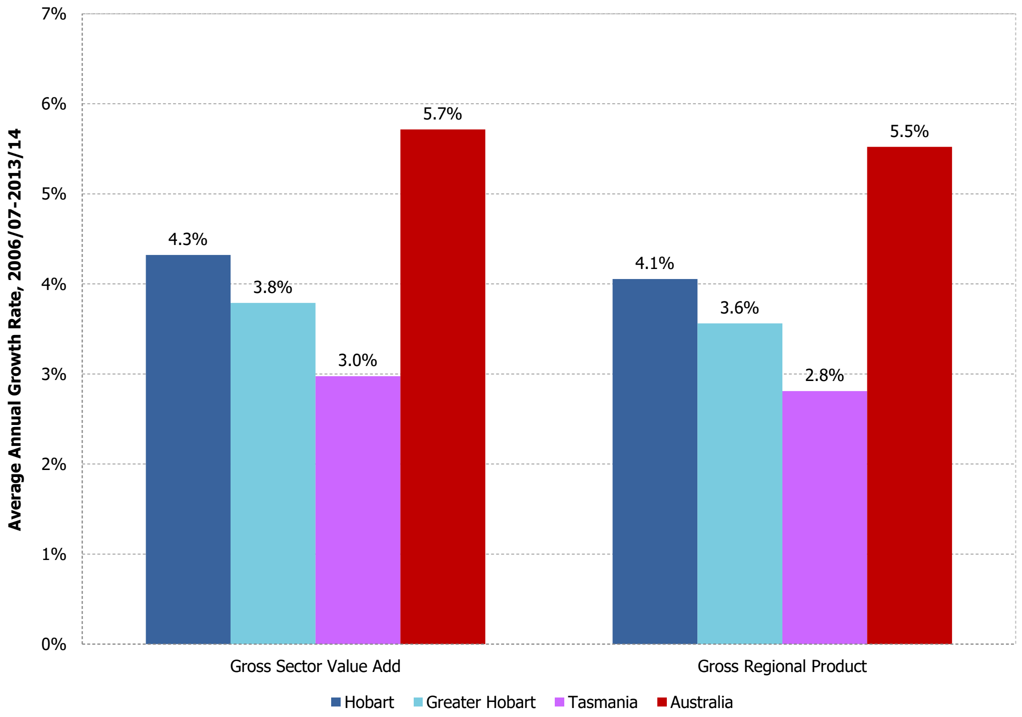
Source: AEC (2015)
*Greater Hobart = Hobart, Kingborough, Glenorchy, Clarence, Sorell and Brighton LGAs

Figure A1: Gross Regional Product, by Share, by Industry Sector, Hobart LGA vs. Comparison Regions, 2013/14



Source: AEC (2015)

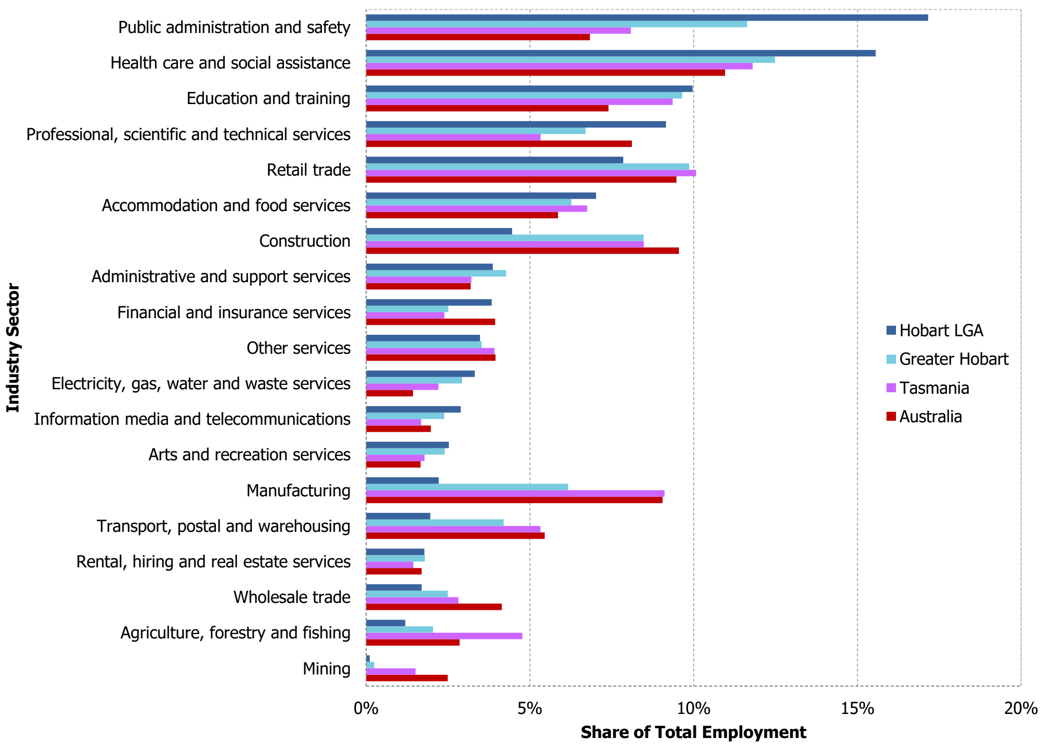
Figure A2: Gross Regional Product Average Annual Growth Rates, Hobart LGA vs. Comparison Regions, 2006/07-2013/14



Source: AEC (2015)

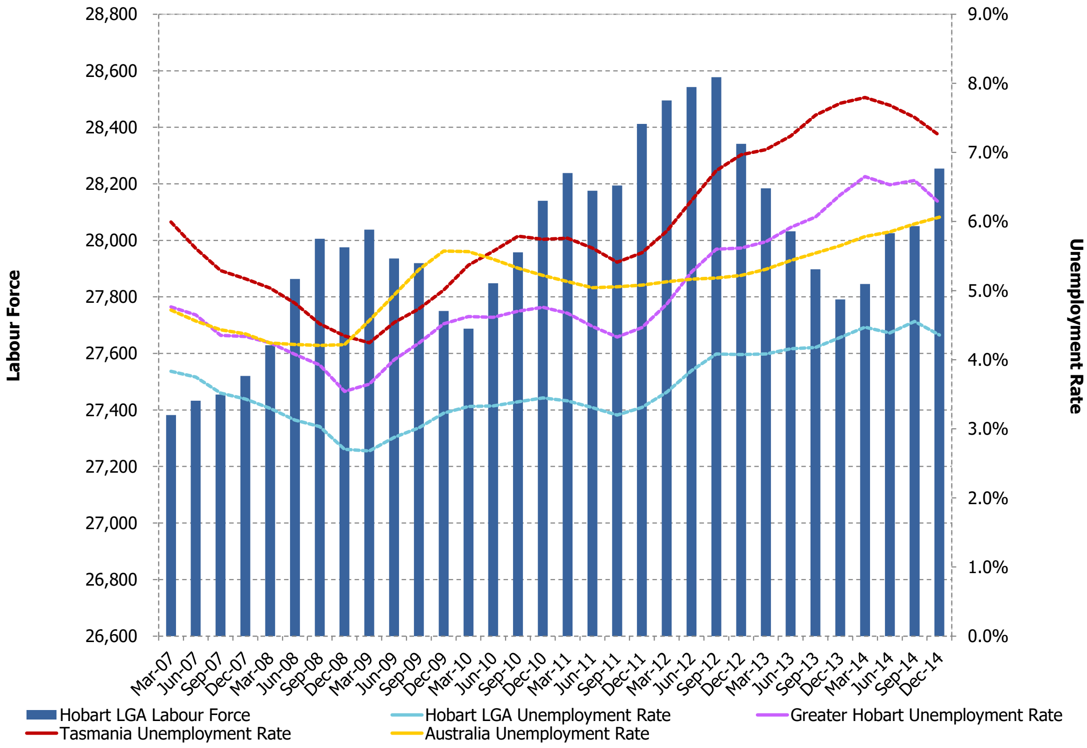
Employment

Figure A3: Employment, by Share, by Industry Sector, Hobart LGA vs. Comparison Regions, 2012/13



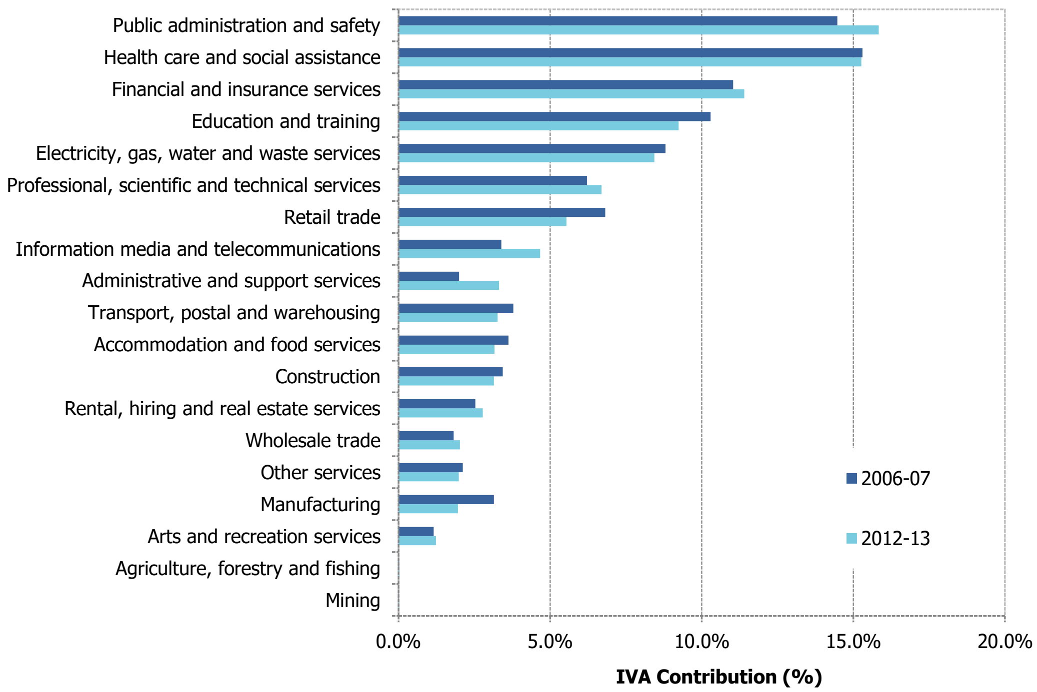
Source: AEC

Figure A4: Unemployment Rates, Hobart LGA vs. Comparison Region, March 2007 to December 2014



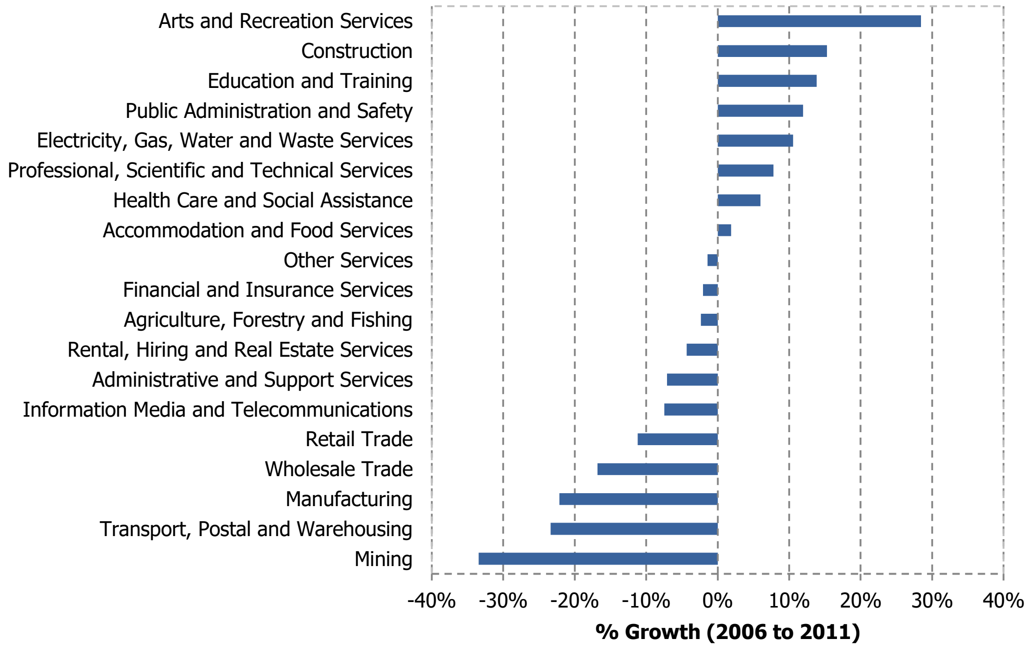
Source: AEC

Figure A5: Hobart LGA, Industry Value Added (IVA), 2006-07, 2012-13



Source: AEC (2014)

Figure A6: Hobart LGA, Employment by Industry, Place of Work



Source: ABS (2012)

Table A2: Hobart LGA, Employment by Industry, Place of Work

Industry	2006	2011	Growth 2006-2011 (%)	Growth 2006-2011 (number)
Agriculture, Forestry and Fishing	325	317	-2.3%	-8
Mining	42	28	-33.5%	-14
Manufacturing	1,241	966	-22.2%	-275
Electricity, Gas, Water and Waste Services	957	1,058	10.5%	101
Construction	1,159	1,336	15.3%	177
Wholesale Trade	1,035	861	-16.8%	-174
Retail Trade	4,695	4,171	-11.2%	-525
Accommodation and Food Services	3,555	3,621	1.9%	66
Transport, Postal and Warehousing	729	558	-23.4%	-170
Information Media and Telecommunications	1,314	1,217	-7.5%	-98
Financial and Insurance Services	2,176	2,131	-2.1%	-45
Rental, Hiring and Real Estate Services	725	693	-4.3%	-31
Professional, Scientific and Technical Services	3,811	4,108	7.8%	297
Administrative and Support Services	992	922	-7.1%	-70
Public Administration and Safety	8,164	9,139	11.9%	974
Education and Training	4,044	4,604	13.8%	559
Health Care and Social Assistance	7,094	7,519	6.0%	425
Arts and Recreation Services	833	1,070	28.5%	237
Other Services	1,809	1,784	-1.4%	-25
Total	**44,702**	**46,103**	**3.1%**	**1,401**

Source: ABS (2012)

Table A3: Precincts, Employment by Industry, 2011, Place of Work

Industry	Inner City	Sandy Bay Road	North Hobart and Surrounds	Lower Sandy Bay	South Hobart	New Town	Lenah Valley	Battery Point
Agriculture, Forestry and Fishing	35	5	162	17	5	6	6	55
Mining	14	0	0	0	4	3	0	5
Manufacturing	243	46	242	20	148	87	74	78
Electricity, Gas, Water and Waste Services	369	0	10	0	3	252	12	413
Construction	115	43	574	77	74	69	79	171
Wholesale Trade	93	21	563	17	18	60	17	34
Retail Trade	1,654	435	1,044	97	88	444	99	215
Accommodation and Food Services	1,030	591	677	89	97	147	27	616
Transport, Postal and Warehousing	250	14	73	10	14	45	14	24
Information Media and Telecommunications	879	13	83	4	12	33	7	30
Financial and Insurance Services	1,562	75	261	15	3	23	18	153
Rental, Hiring and Real Estate Services	274	45	175	27	10	37	10	93
Professional, Scientific and Technical Services	1,886	166	632	95	97	112	80	861
Administrative and Support Services	482	36	140	18	31	26	11	103
Public Administration and Safety	7,292	10	459	4	39	401	44	678
Education and Training	328	1,654	1,124	121	81	464	133	275
Health Care and Social Assistance	3,479	253	648	203	494	871	716	799
Arts and Recreation Services	288	401	90	23	22	17	4	65
Other Services	448	152	596	11	68	251	40	183
Total	**20,722**	**3,960**	**7,552**	**850**	**1,308**	**3,350**	**1,391**	**4,853**

Source: ABS (2012)

Table A4: Precincts, Employment by Industry Proportion (% of precinct), 2011, Place of Work

Industry	Inner City	Sandy Bay Road	North Hobart and Surrounds	Lower Sandy Bay	South Hobart	New Town	Lenah Valley	Battery Point
Agriculture, Forestry and Fishing	0.2%	0.1%	2.1%	2.0%	0.4%	0.2%	0.4%	1.1%
Mining	0.1%	0.0%	0.0%	0.0%	0.3%	0.1%	0.0%	0.1%
Manufacturing	1.2%	1.2%	3.2%	2.4%	11.3%	2.6%	5.3%	1.6%
Electricity, Gas, Water and Waste Services	1.8%	0.0%	0.1%	0.0%	0.2%	7.5%	0.9%	8.5%
Construction	0.6%	1.1%	7.6%	9.1%	5.6%	2.0%	5.6%	3.5%
Wholesale Trade	0.5%	0.5%	7.5%	2.0%	1.4%	1.8%	1.2%	0.7%
Retail Trade	8.0%	11.0%	13.8%	11.4%	6.7%	13.3%	7.1%	4.4%
Accommodation and Food Services	5.0%	14.9%	9.0%	10.4%	7.4%	4.4%	2.0%	12.7%
Transport, Postal and Warehousing	1.2%	0.4%	1.0%	1.2%	1.1%	1.4%	1.0%	0.5%
Information Media and Telecommunications	4.2%	0.3%	1.1%	0.5%	0.9%	1.0%	0.5%	0.6%
Financial and Insurance Services	7.5%	1.9%	3.5%	1.8%	0.2%	0.7%	1.3%	3.1%
Rental, Hiring and Real Estate Services	1.3%	1.1%	2.3%	3.2%	0.8%	1.1%	0.7%	1.9%
Professional, Scientific and Technical Services	9.1%	4.2%	8.4%	11.1%	7.4%	3.3%	5.7%	17.7%
Administrative and Support Services	2.3%	0.9%	1.9%	2.2%	2.4%	0.8%	0.8%	2.1%
Public Administration and Safety	35.2%	0.3%	6.1%	0.5%	3.0%	12.0%	3.2%	14.0%
Education and Training	1.6%	41.8%	14.9%	14.3%	6.2%	13.9%	9.6%	5.7%
Health Care and Social Assistance	16.8%	6.4%	8.6%	23.8%	37.8%	26.0%	51.5%	16.5%
Arts and Recreation Services	1.4%	10.1%	1.2%	2.8%	1.7%	0.5%	0.3%	1.3%
Other Services	2.2%	3.8%	7.9%	1.3%	5.2%	7.5%	2.9%	3.8%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

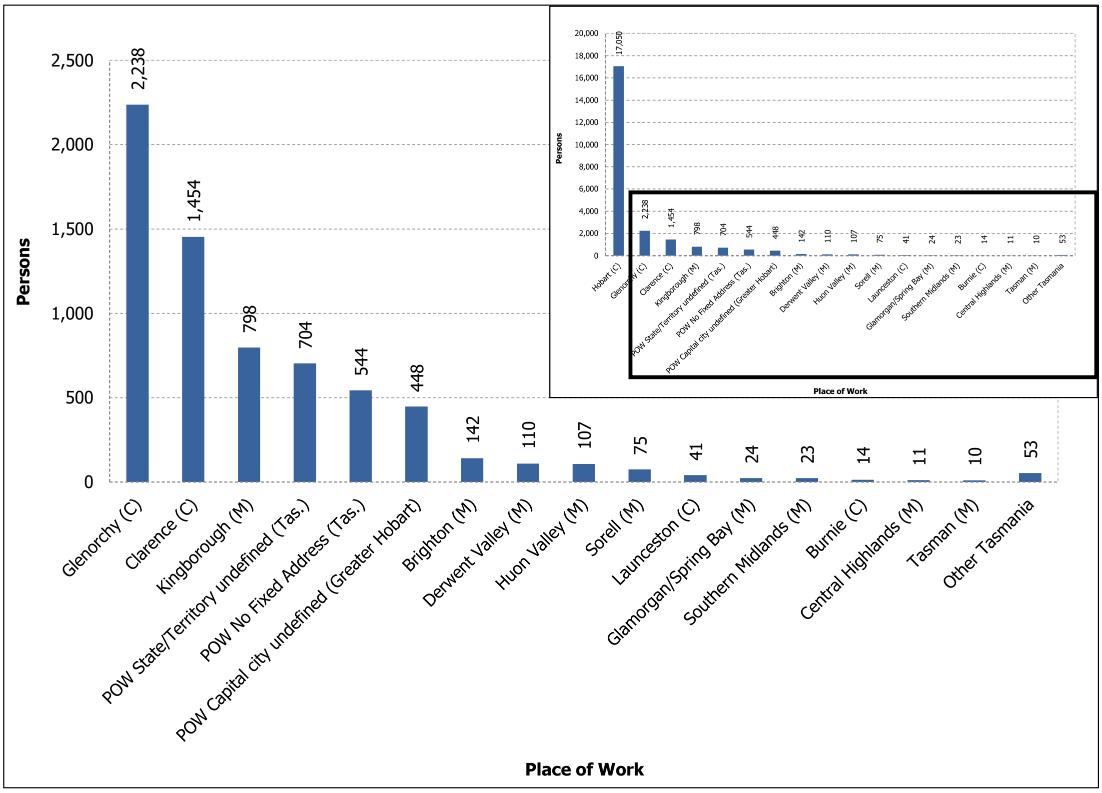
Source: ABS (2012)

Table A5: Hobart LGA, Business Profile

Indicator	Units	Reference Year	Hobart LGA
Total Businesses			
Total Business Count	No.	2013	5,931
Growth in Total Business Count	%	2009-2013	4.8%
Proportion of Small Businesses	%	2013	96.0%
Proportion of Businesses with turnover of $2M plus	%	2013	7.1%
Industries (by Business)			
Agriculture, forestry & fishing	%	2013	3.4%
Mining	%	2013	0.2%
Manufacturing	%	2013	3.4%
Electricity, gas, water & waste services	%	2013	0.1%
Construction	%	2013	8.2%
Wholesale trade	%	2013	2.6%
Retail trade	%	2013	8.7%
Accommodation & food services	%	2013	7.6%
Transport, postal & warehousing	%	2013	2.9%
Information media & telecommunications	%	2013	0.9%
Financial & insurance services	%	2013	11.0%
Rental, hiring & real estate services	%	2013	13.3%
Professional, scientific & technical services	%	2013	16.2%
Administrative & support services	%	2013	2.9%
Public administration & safety	%	2013	0.3%
Education & training	%	2013	1.4%
Health care & social assistance	%	2013	11.7%
Arts & recreation services	%	2013	1.7%
Other services	%	2013	3.4%
Businesses by Turnover			
Zero to $50k	No.	2013	26.5%
$50k to less than $100k	No.	2013	15.0%
$100k to less than $200K	No.	2013	16.0%
$200k to less than $500k	No.	2013	19.4%
$500k to less than $2m	No.	2013	16.0%
$2m or more	No.	2013	7.1%
Total	No.	2013	5,924
Business Counts by Employment			
Non employing	No.	2013	58.6%
1-4	No.	2013	24.1%
5-19	No.	2013	13.3%
20-199	No.	2013	3.8%
200+	No.	2013	0.2%
Total	No.	2013	5,931

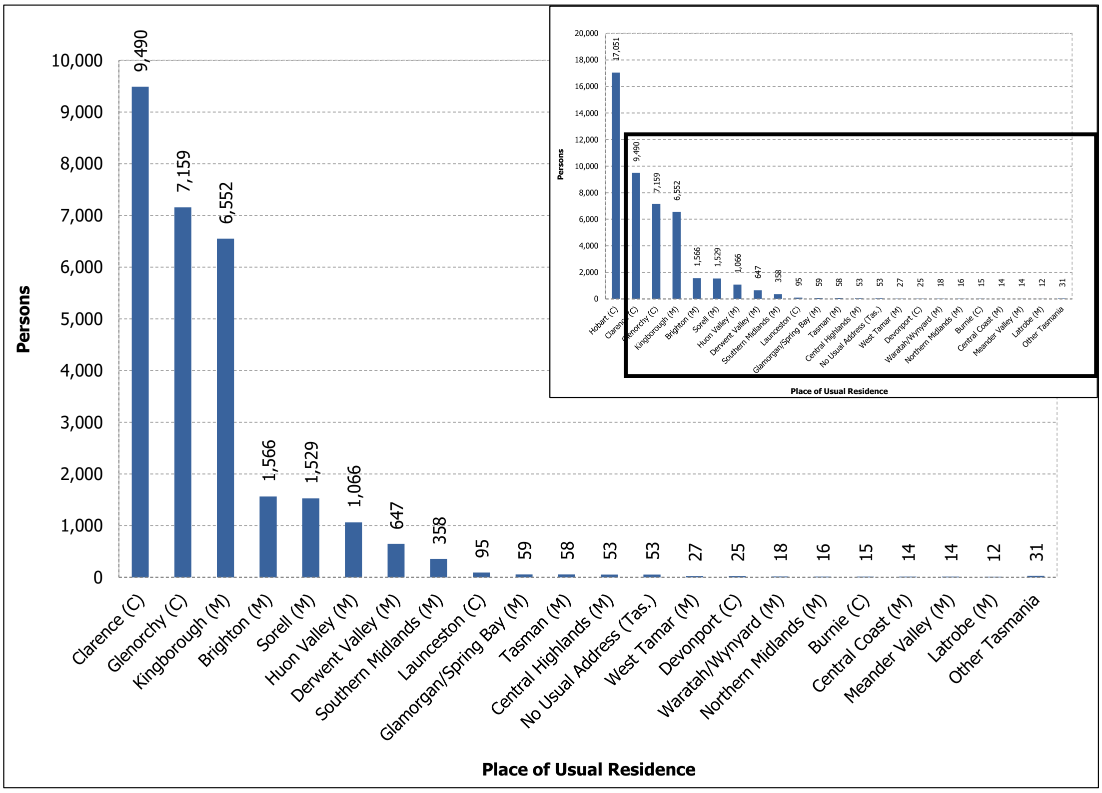
Source: ABS (2015b)

Figure A7: Where Hobart LGA Residents Work, by LGA, 2011



Source: ABS (2012)

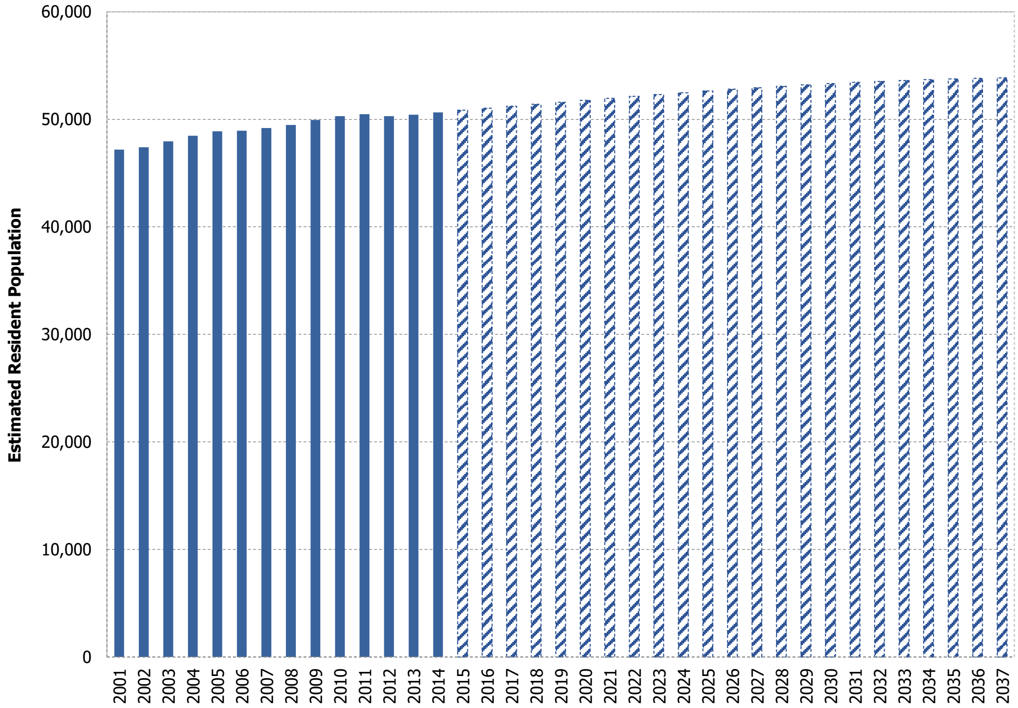
Figure A8: Where Hobart LGA Workers Reside, by LGA, 2011



Source: ABS (2012)

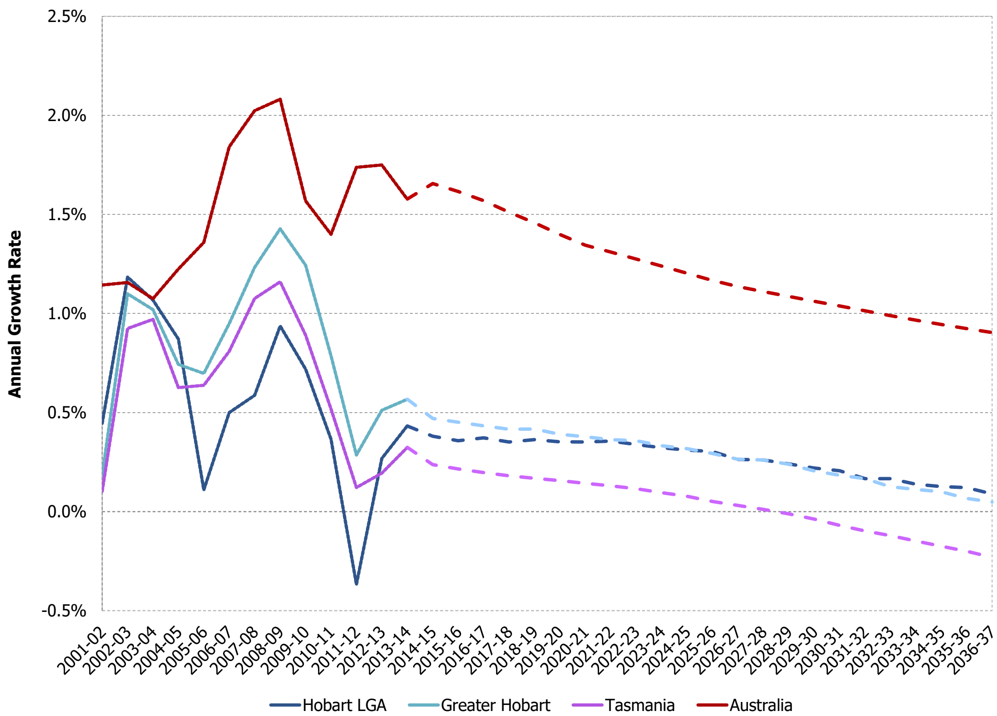
Population and Demographics

Figure A9: Estimated Resident Population, Hobart LGA, 2001-2037



Source: ABS (2015), Tasmania Department of Treasury and Finance (2015)

Figure A10: Estimated Resident Population Growth Rates, Hobart LGA vs. Comparison Regions, 2001-2037



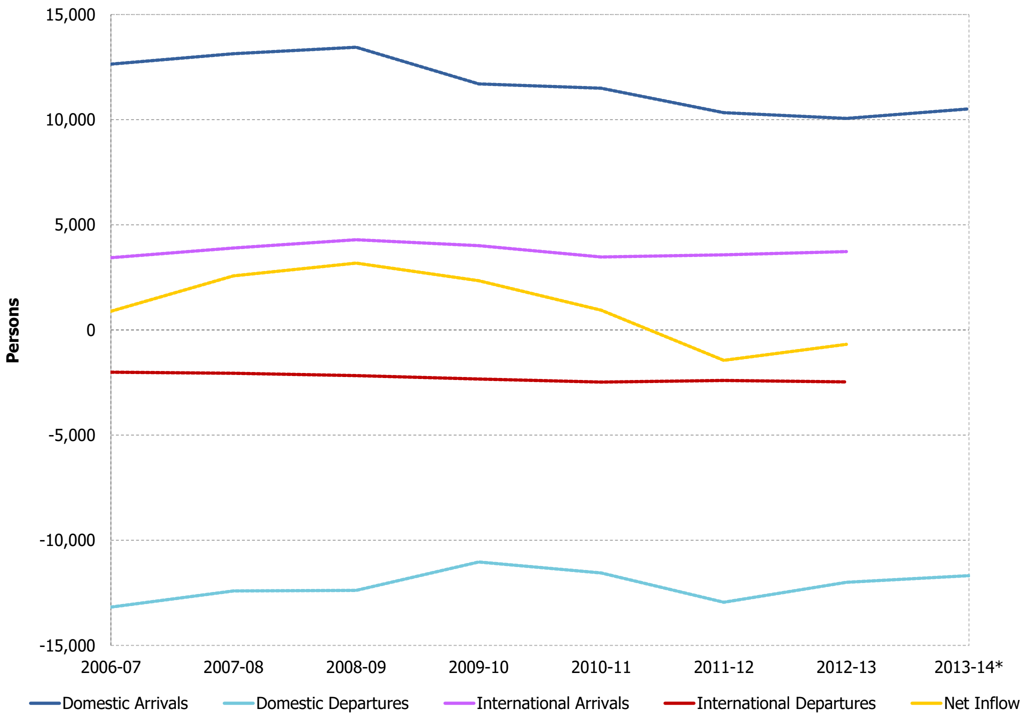
Source: ABS (2015), Tasmania Department of Treasury and Finance (2015)

Table A6: Estimated Resident Population and Growth Rates, Hobart LGA vs. Comparison Regions, 2001-2037 (actual 2001-2014 and projected from 2015 thereafter)

Year	Hobart LGA	Greater Hobart	Tasmania	Australia
Estimated Resident Population				
2001	47,186	193,510	473,668	19,274,701
2002	47,396	193,860	474,152	19,495,210
2003	47,956	195,992	478,534	19,720,737
2004	48,468	197,990	483,178	19,932,722
2005	48,890	199,461	486,202	20,176,844
2006	48,944	200,851	489,302	20,450,966
2007	49,189	202,758	493,262	20,827,622
2008	49,477	205,256	498,568	21,249,199
2009	49,941	208,187	504,353	21,691,653
2010	50,300	210,777	508,847	22,031,750
2011	50,484	212,434	511,483	22,340,024
2012	50,299	213,040	512,106	22,728,254
2013	50,434	214,130	513,100	23,125,868
2014	50,652	215,344	514,762	23,490,736
2015	50,844	216,357	515,980	23,879,704
2016	51,026	217,333	517,089	24,265,538
2017	51,216	218,274	518,106	24,646,518
2018	51,396	219,181	519,045	25,019,174
2019	51,582	220,094	519,919	25,383,923
2020	51,764	220,953	520,730	25,739,139
2021	51,946	221,789	521,472	26,085,160
2022	52,131	222,594	522,148	26,426,882
2023	52,307	223,390	522,749	26,763,809
2024	52,476	224,131	523,247	27,095,495
2025	52,639	224,843	523,653	27,421,532
2026	52,799	225,503	523,921	27,741,570
2027	52,937	226,099	524,082	28,056,605
2028	53,075	226,689	524,141	28,368,335
2029	53,203	227,231	524,080	28,676,531
2030	53,320	227,696	523,884	28,981,076
2031	53,430	228,114	523,517	29,281,925
2032	53,519	228,493	523,006	29,578,649
2033	53,607	228,779	522,371	29,871,283
2034	53,681	229,035	521,595	30,159,931
2035	53,749	229,264	520,685	30,444,743
2036	53,814	229,416	519,644	30,725,929
2037	53,862	229,528	518,444	31,003,701
Average Annual Growth Rates				
2001-14	**0.5%**	**0.8%**	**0.6%**	**1.5%**
2014-37	**0.3%**	**0.3%**	**0.0%**	**1.2%**

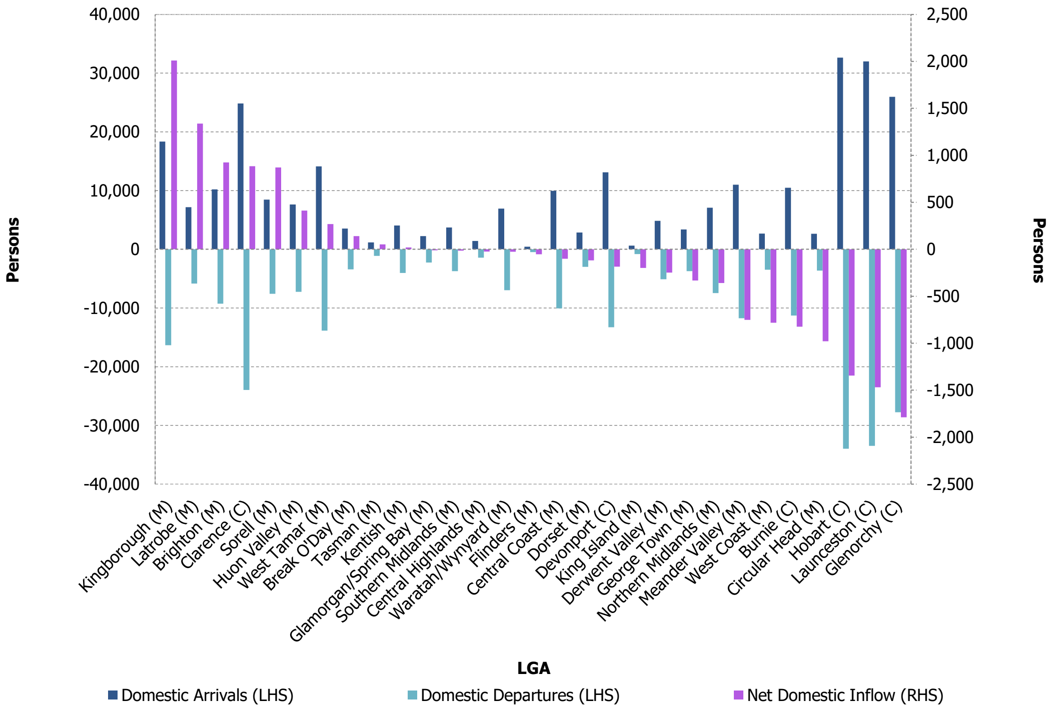
Source: ABS (2015a)

Figure A11: Migration, Tasmania, 2006/07-2013/14



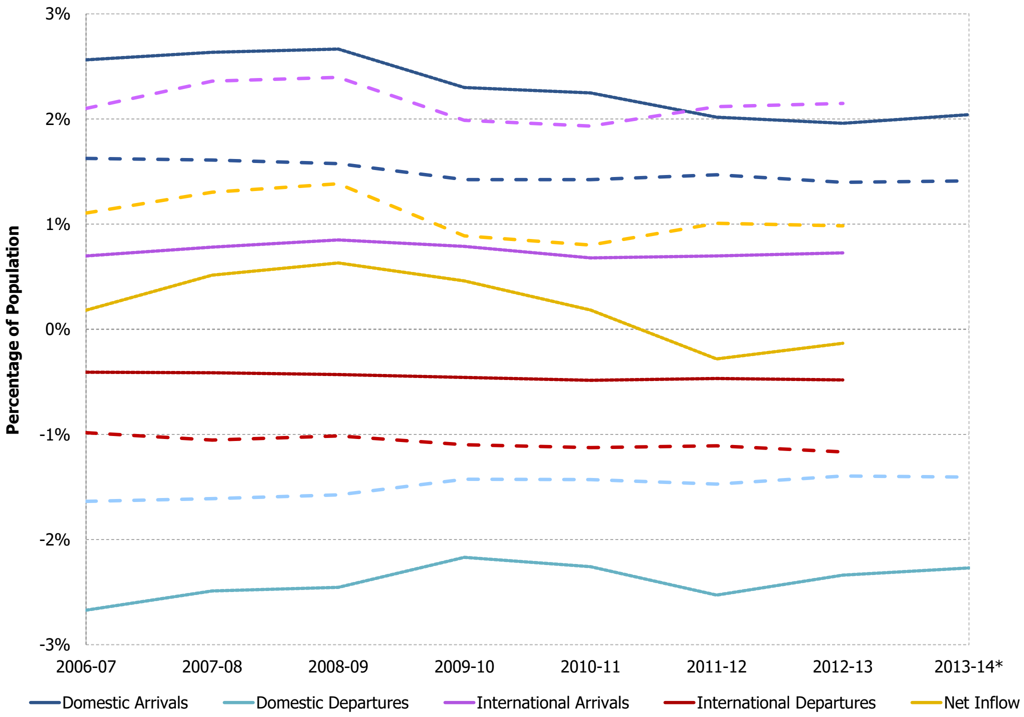
Note: 2013-14 international data is unavailable
Source: ABS (2015b)

Figure A12: Domestic Migration, by LGA, Tasmania, 2006/07-2013/14



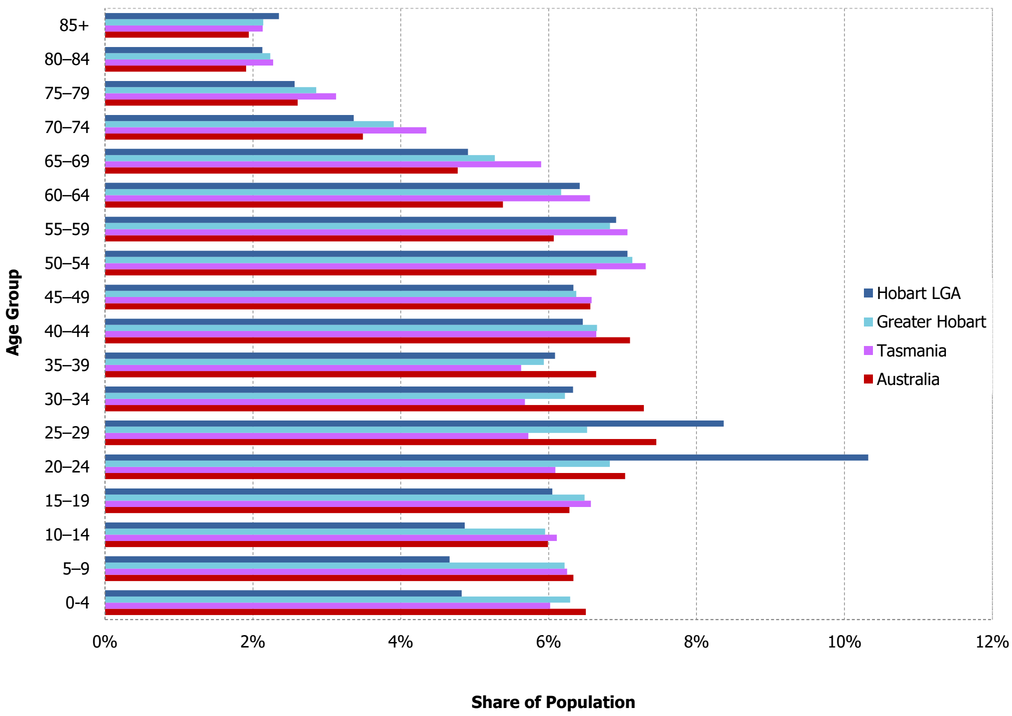
Source: ABS (2015)

Figure A13: Migration as a Share of Local Population, Tasmania (solid line) and Australia (dashed line), 2006/07-2013/14



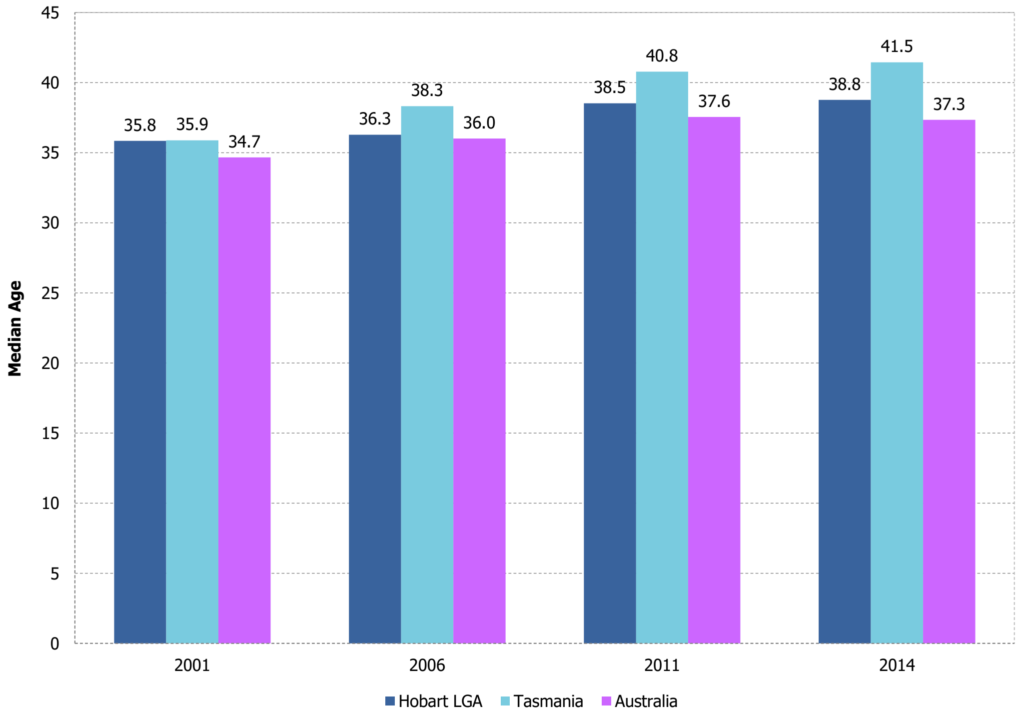
Note: 2013-14 international data is unavailable
Domestic arrivals refers to those arriving in Tasmania from elsewhere in Australia.
Domestic departures refers to those leaving Tasmania for somewhere else in Australia.
Source: ABS (2015)

Figure A14: Age Distribution, Hobart LGA vs. Comparison Regions, 2014



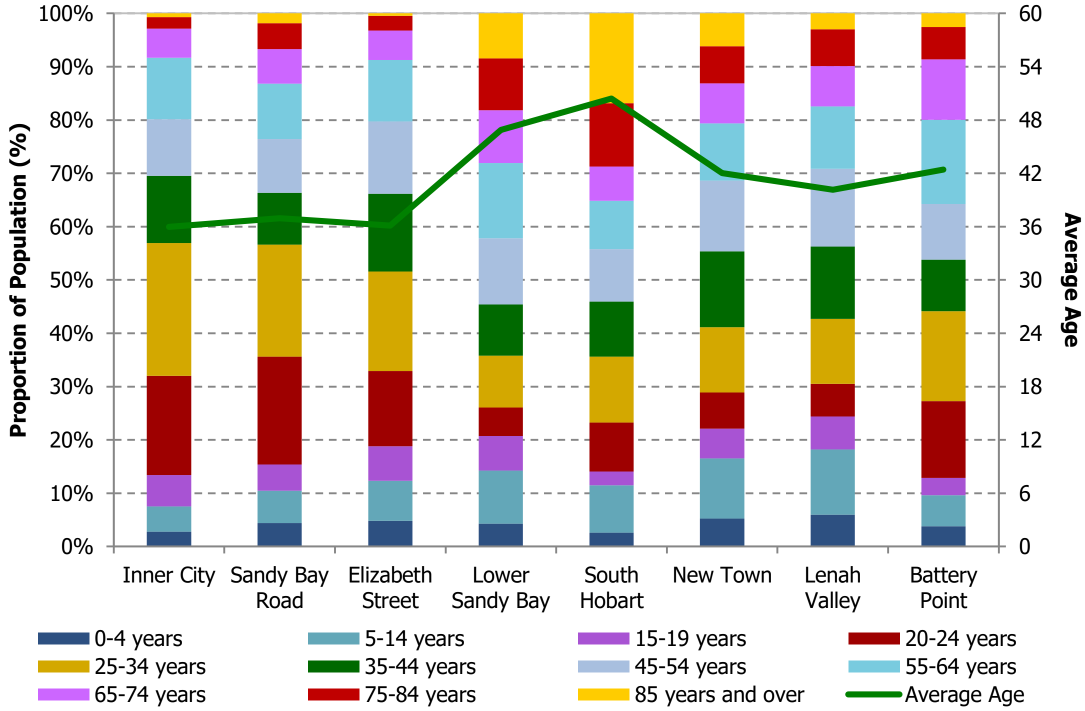
Source: ABS (2015)

Figure A15: Median Age, Hobart LGA vs. Comparison Regions, 2001-2014



Source: ABS (2015)

Figure A16: Age Sex Profile, Precinct, 2011



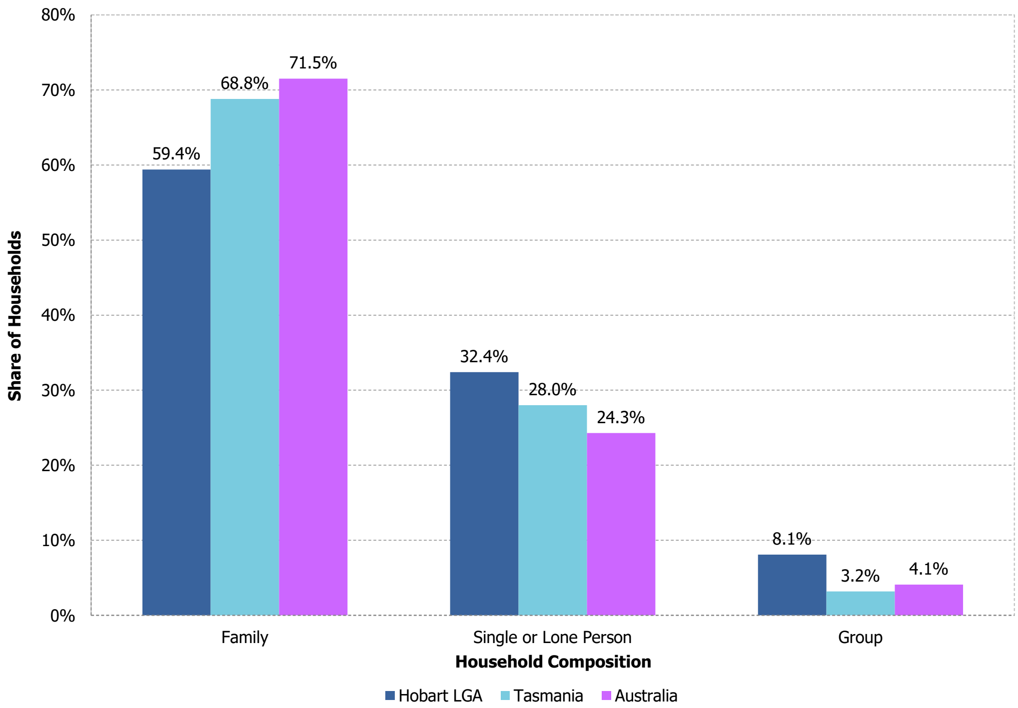
Source: ABS (2012)

Table A7: Household Composition, Hobart LGA vs. Comparison Regions, 2011

	Hobart LGA	Tasmania	Australia
Family Households	59.4%	68.8%	71.5%
Single Person Households	32.4%	28.0%	24.3%
Group Households	8.1%	3.2%	4.1%
Total	100.0%	100.0%	775

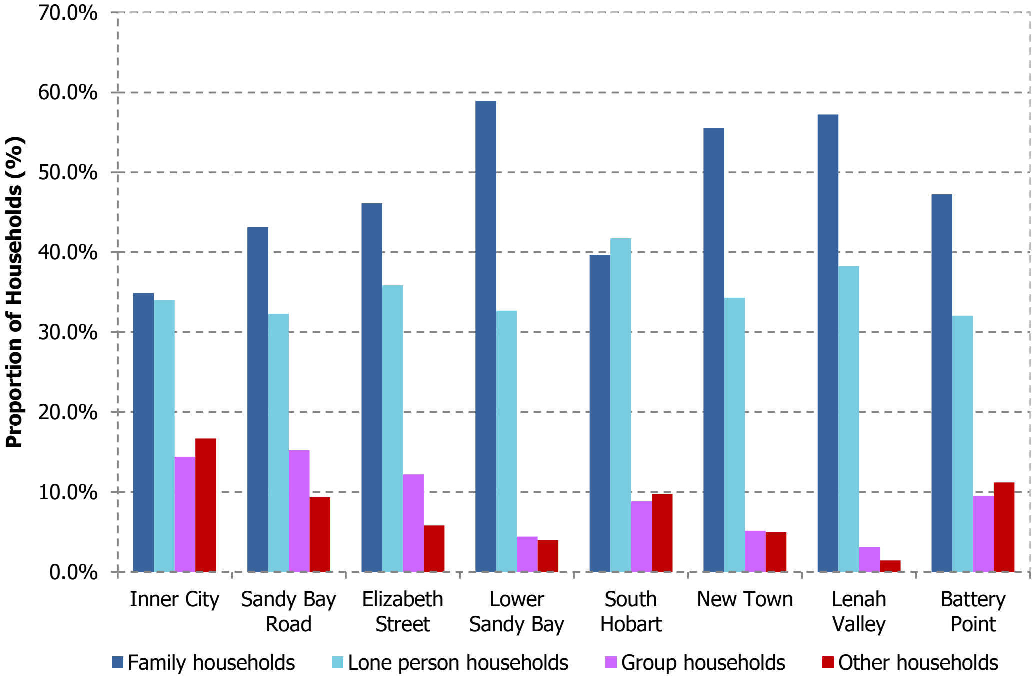
Source: ABS (2012)

Figure A17: Household Composition, Hobart LGA vs. Comparison Regions, 2011



Source: ABS (2012)

Figure A18: Household Composition, Precincts, 2011



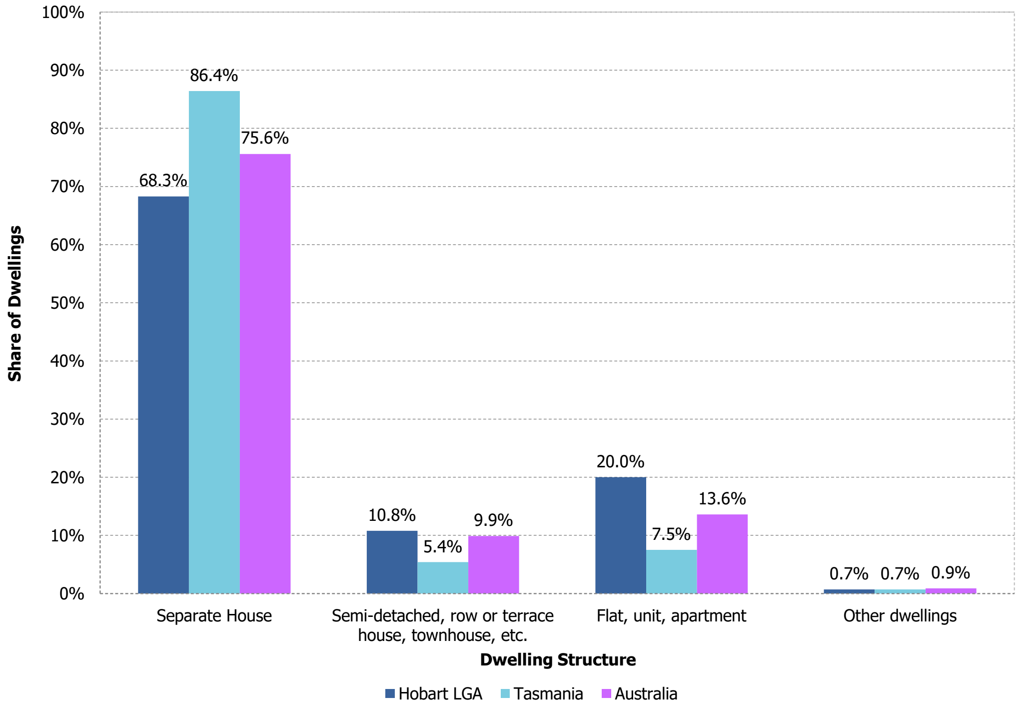
Source: ABS (2012)

Table A8: Dwelling Structure, Hobart LGA

	Hobart LGA	Tasmania	Australia
Separate House	68.3%	86.4%	75.6%
Semi-Detached, row or terrace house	10.8%	5.4%	9.9%
Flat, unit or apartment	20.0%	7.5%	13.6%
Other / not stated	0.7%	0.7%	0.9%
Total	**100.0%**	**100.0%**	**773**

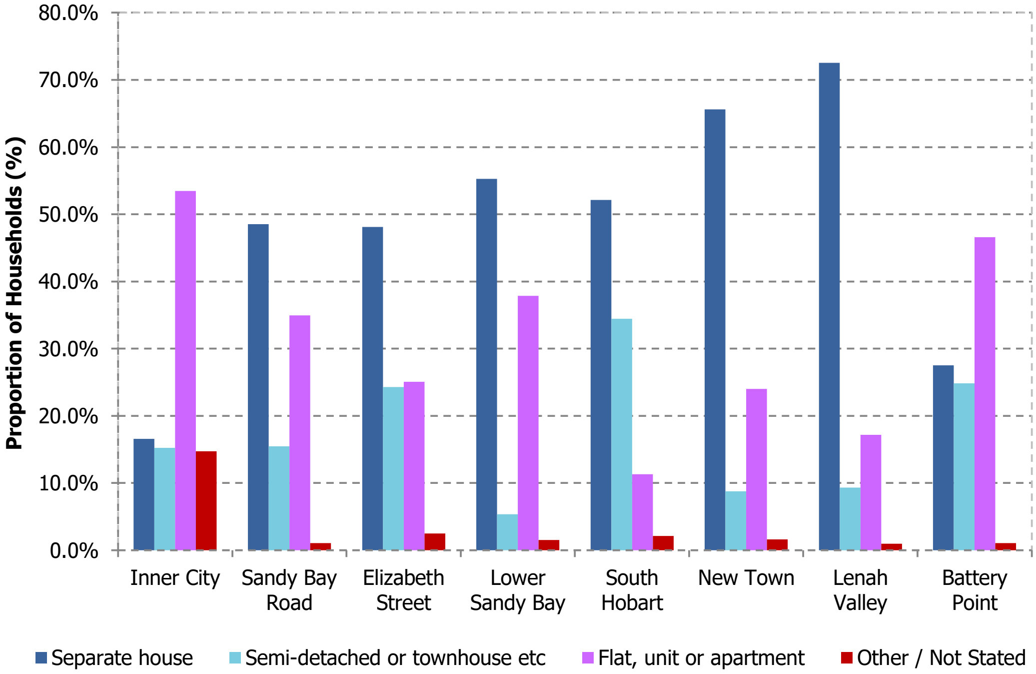
Source: ABS (2012)

Figure A19: Dwelling Structure, Hobart LGA vs. Comparison Regions, 2011



Source: ABS (2012)

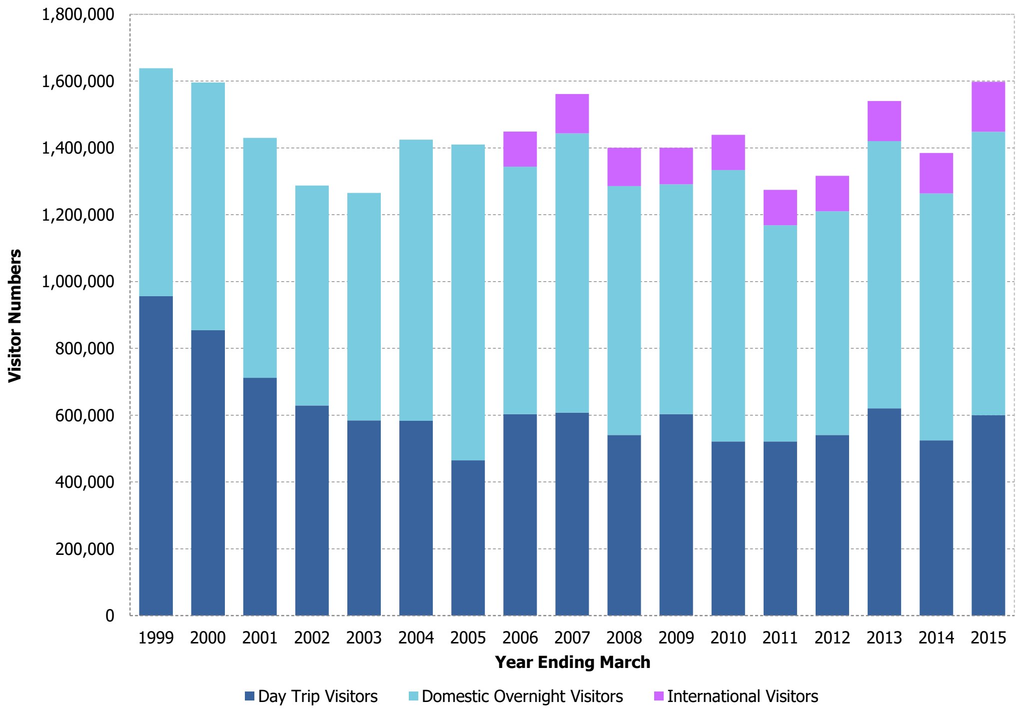
Figure A20: Dwelling Structure, Precincts, 2011



Source: ABS (2012)

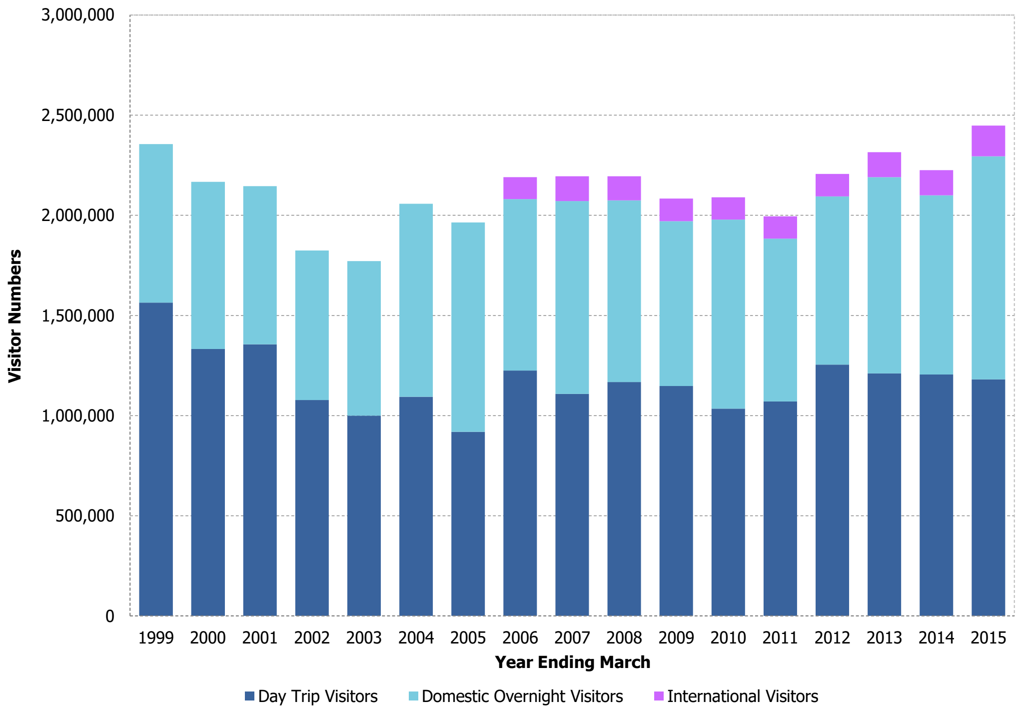
Tourism

Figure A21: Visitor Numbers, by Type, Hobart LGA, Year Ending March 1999-2015



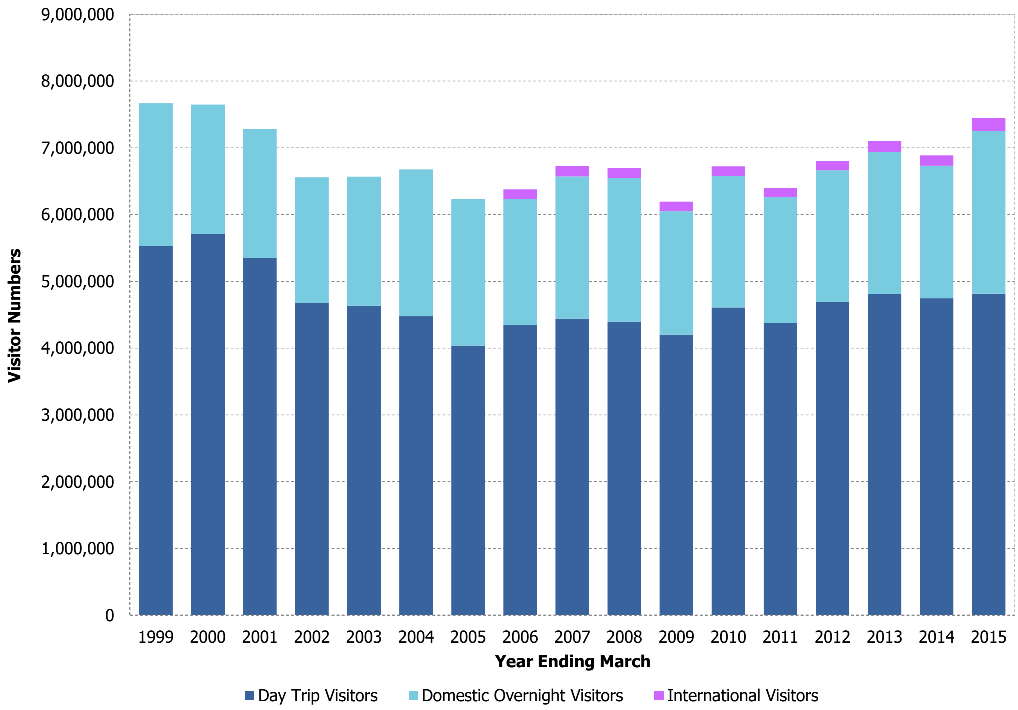
Note: International visitation data unavailable pre-2006
Source: TRA (2015)

Figure A22: Visitor Numbers, by Type, Greater Hobart, Year Ending March 1999-2015



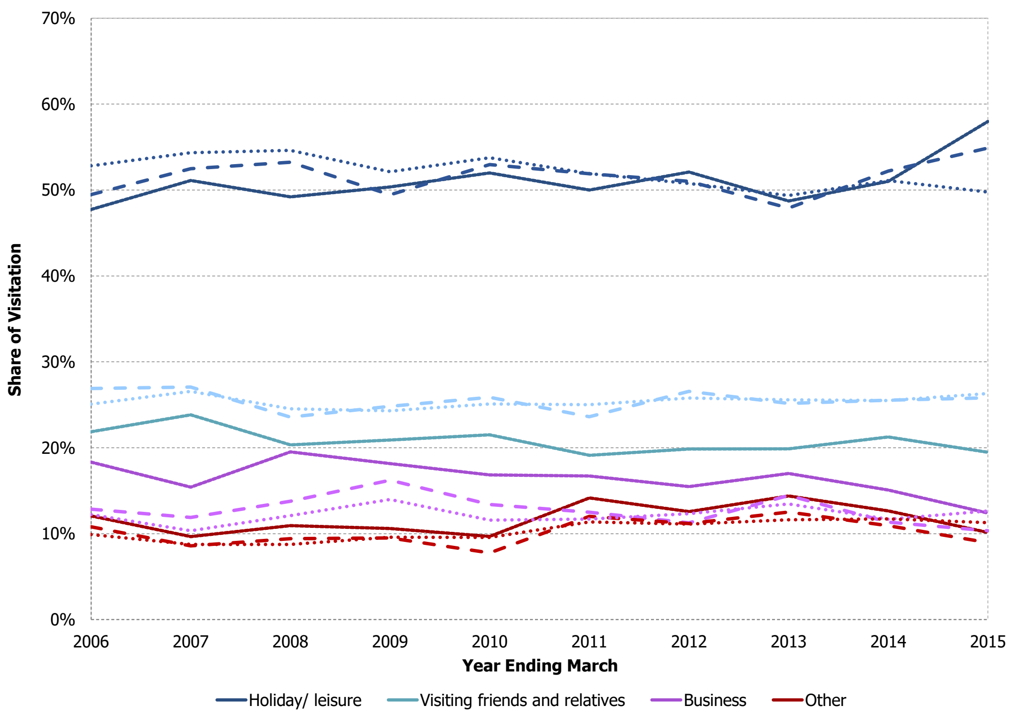
Note: International visitation data unavailable pre-2006
Source: TRA (2015)

Figure A23: Visitor Numbers, by Type, Tasmania, Year Ending March 1999-2015



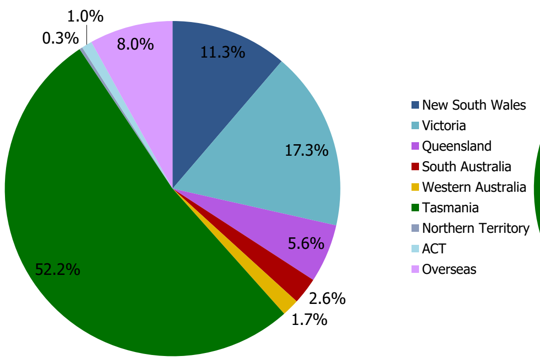
Note: International visitation data unavailable pre-2006
Source: TRA (2015)

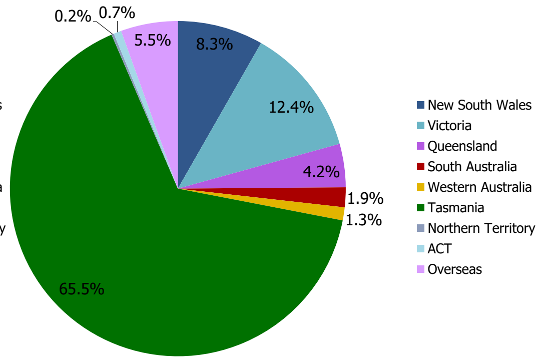
Figure A24: Share of Visitation, by Reason, Hobart LGA (solid line) vs. Greater Hobart (dashed line) and Tasmania (dotted line), Year Ending March 2006-2015

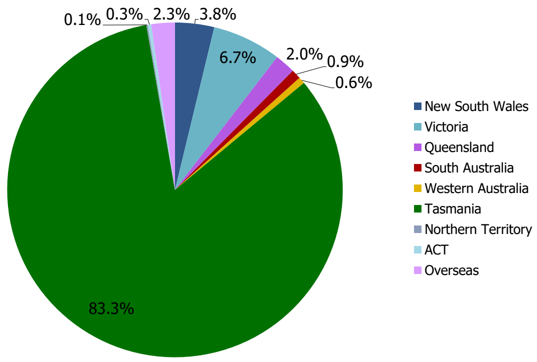


Source: TRA (2015)

Figure A25: Share of Visitation, by Origin, Hobart LGA (top left) vs. Greater Hobart (top right) and Tasmania (bottom), Average 2006-2015

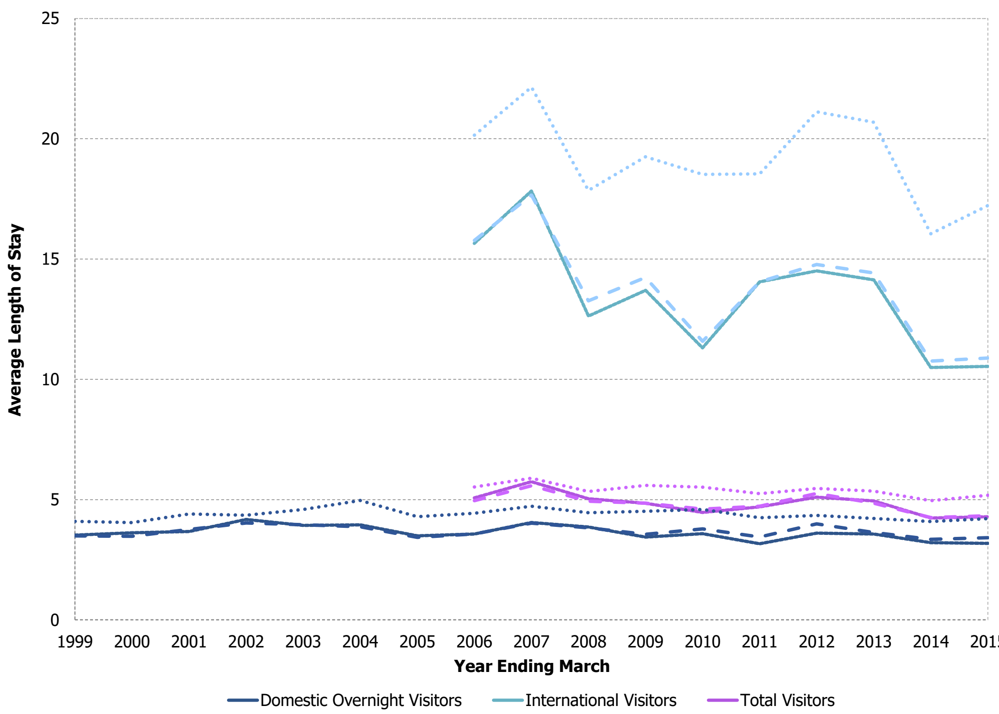






Source: TRA (2015)

Figure A26: Average Length of Stay, by Type, Hobart LGA (solid line) vs. Greater Hobart (dashed line) and Tasmania (dotted line), Year Ending March 2006-2015



Note: International visitation data unavailable pre-2006
Source: TRA (2015)

Table A9: Tourist Visitation and Expenditure, by Visitor Type, Hobart, 1999-2015

Year Ending March	Day Trip Visitors	Domestic Overnight Visitors	International Visitors	Total Visitors
Visitation				
1999	956,289	682,004	-	-
2000	854,378	741,312	-	-
2001	711,795	718,074	-	-
2002	628,826	658,661	-	-
2003	584,307	680,907	-	-
2004	583,147	841,242	-	-
2005	464,519	945,585	-	-
2006	603,328	740,332	105,126	1,448,786
2007	607,675	835,641	117,881	1,561,197
2008	540,826	744,874	114,941	1,400,642
2009	602,994	688,022	109,297	1,400,312
2010	521,439	812,217	105,226	1,438,881
2011	521,487	647,132	105,751	1,274,370
2012	540,513	669,659	106,431	1,316,603
2013	620,169	800,335	120,016	1,540,521
2014	524,313	739,463	121,078	1,384,854
2015	600,096	848,202	149,687	1,597,984
Expenditure				
1999	$88,443,096	$438,952,467	-	-
2000	$81,388,255	$505,128,622	-	-
2001	$69,839,972	$511,153,978	-	-
2002	$63,550,152	$548,675,567	-	-
2003	$60,822,545	$550,457,270	-	-
2004	$62,522,869	$703,519,937	-	-
2005	$51,298,163	$720,215,402	-	-
2006	$68,625,998	$594,182,766	$153,786,593	$816,595,357
2007	$71,194,021	$782,281,651	$202,244,591	$1,055,720,263
2008	$65,263,046	$685,994,336	$143,891,840	$895,149,222
2009	$74,947,932	$581,960,705	$152,918,427	$809,827,064
2010	$66,755,538	$735,717,235	$125,154,569	$927,627,342
2011	$58,220,154	$449,067,969	$140,049,450	$647,337,573
2012	$51,491,103	$447,850,524	$128,624,000	$627,965,627
2013	$59,882,824	$640,225,574	$141,901,812	$842,010,210
2014	$49,426,413	$574,838,442	$104,192,052	$728,456,908

Source: TRA (2011, 2013, 2014, 2015a & 2015b)

Table A10: Tourist Visitation and Expenditure, by Visitor Type, Tasmania, 1999-2015

Year Ending March	Day Trip Visitors	Domestic Overnight Visitors	International Visitors	Total Visitors
Visitation				
1999	5,525,783	2,141,890	-	-
2000	5,709,717	1,937,122	-	-
2001	5,350,141	1,933,531	-	-
2002	4,674,677	1,883,677	-	-
2003	4,635,515	1,934,003	-	-
2004	4,478,364	2,197,275	-	-
2005	4,038,430	2,199,270	-	-
2006	4,351,436	1,884,300	140,595	6,376,331
2007	4,442,474	2,129,086	152,983	6,724,543
2008	4,397,388	2,151,782	151,976	6,701,147
2009	4,202,600	1,845,958	145,788	6,194,346
2010	4,608,455	1,973,489	139,946	6,721,889
2011	4,374,402	1,883,662	142,676	6,400,739
2012	4,691,200	1,970,664	140,798	6,802,662
2013	4,812,661	2,127,746	157,060	7,097,467
2014	4,745,135	1,987,860	154,429	6,887,424
2015	4,816,459	2,435,378	197,561	7,449,398
Expenditure				
1999	$457,371,317	$1,489,799,989		
2000	$486,773,428	$1,369,527,470		
2001	$469,801,847	$1,533,777,440		
2002	$422,803,289	$1,520,445,539		
2003	$431,839,130	$1,697,498,279		
2004	$429,715,073	$2,147,537,862		
2005	$399,126,855	$1,914,141,675		
2006	$442,963,774	$1,744,476,240	$275,755,936	$2,463,195,950
2007	$465,798,152	$2,163,306,404	$339,727,298	$2,968,831,854
2008	$474,902,978	$2,122,144,024	$280,216,264	$2,877,263,266
2009	$467,482,495	$1,902,401,745	$298,570,862	$2,668,455,103
2010	$528,007,248	$2,130,421,975	$283,987,084	$2,942,416,308
2011	$460,412,870	$1,678,653,858	$261,577,003	$2,400,643,731
2012	$450,025,145	$1,582,100,285	$262,254,194	$2,294,379,624
2013	$506,544,306	$1,798,561,232	$263,588,875	$2,568,694,414
2014	$487,592,686	$1,760,923,209	$197,268,273	$2,445,784,168

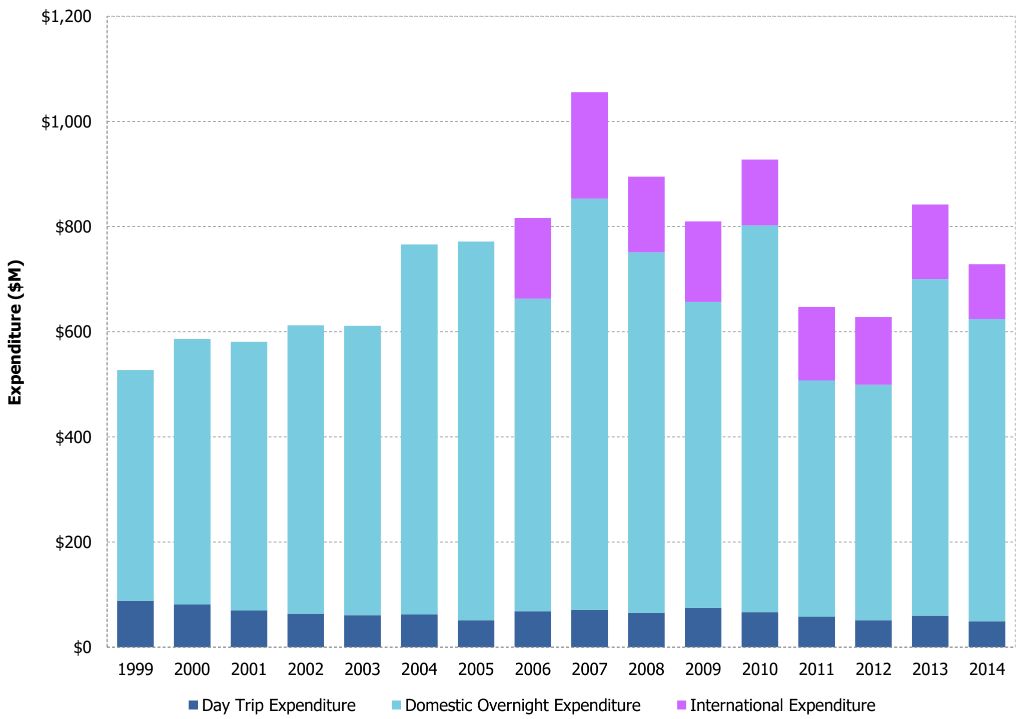
Source: TRA (2011, 2013, 2014, 2015a & 2015b)

Table A11: Hobart Share of Tasmania's Tourist Visitation and Expenditure, by Visitor Type, Hobart, 1999-2015

Year Ending March	Day Trip Visitors	Domestic Overnight Visitors	International Visitors	Total Visitors
Visitation				
1999	17.3%	31.8%		
2000	15.0%	38.3%		
2001	13.3%	37.1%		
2002	13.5%	35.0%		
2003	12.6%	35.2%		
2004	13.0%	38.3%		
2005	11.5%	43.0%		
2006	13.9%	39.3%	74.8%	22.7%
2007	13.7%	39.2%	77.1%	23.2%
2008	12.3%	34.6%	75.6%	20.9%
2009	14.3%	37.3%	75.0%	22.6%
2010	11.3%	41.2%	75.2%	21.4%
2011	11.9%	34.4%	74.1%	19.9%
2012	11.5%	34.0%	75.6%	19.4%
2013	12.9%	37.6%	76.4%	21.7%
2014	11.0%	37.2%	78.4%	20.1%
2015	12.5%	34.8%	75.8%	21.5%
Expenditure				
1999	19.3%	29.5%		
2000	16.7%	36.9%		
2001	14.9%	33.3%		
2002	15.0%	36.1%		
2003	14.1%	32.4%		
2004	14.5%	32.8%		
2005	12.9%	37.6%		
2006	15.5%	34.1%	55.8%	33.2%
2007	15.3%	36.2%	59.5%	35.6%
2008	13.7%	32.3%	51.4%	31.1%
2009	16.0%	30.6%	51.2%	30.3%
2010	12.6%	34.5%	44.1%	31.5%
2011	12.6%	26.8%	53.5%	27.0%
2012	11.4%	28.3%	49.0%	27.4%
2013	11.8%	35.6%	53.8%	32.8%
2014	10.1%	32.6%	52.8%	29.8%

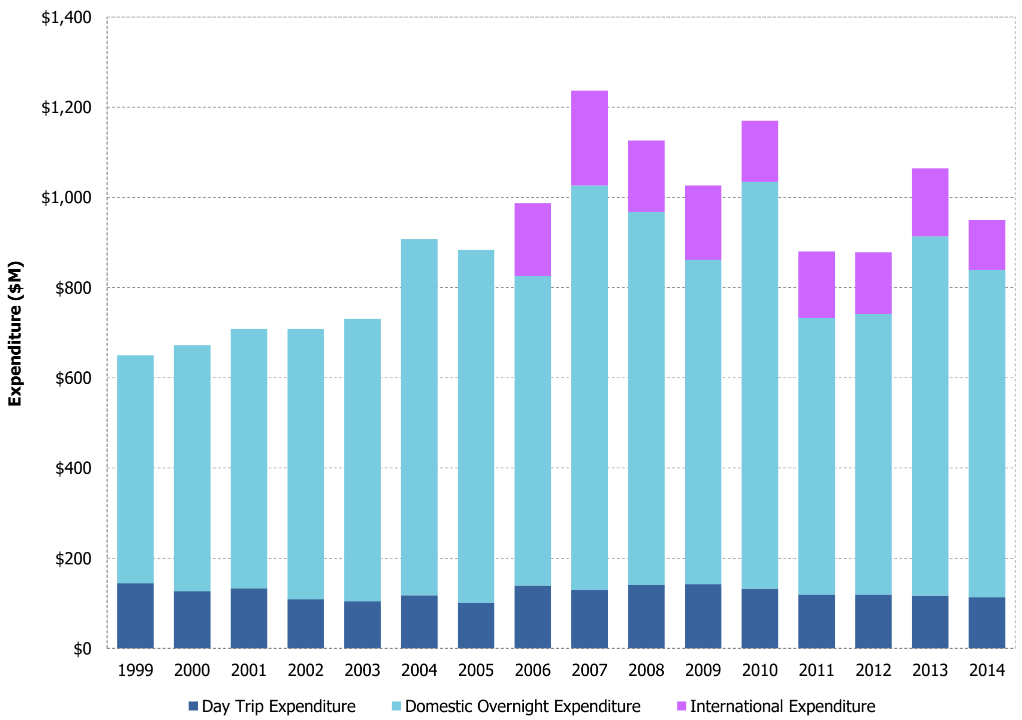
Source: TRA (2011, 2013, 2014, 2015a & 2015b)

Figure A27: Tourism Expenditure, by Type, Hobart LGA, Year Ending March 1999-2014



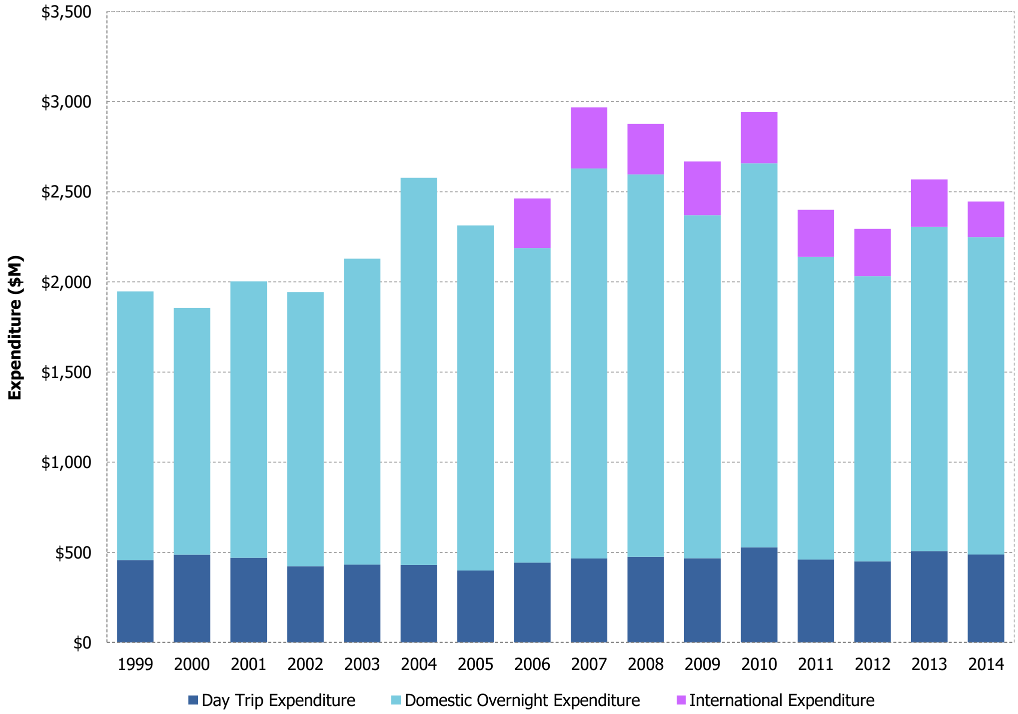
Note: International visitation data unavailable pre-2006
Source: TRA (2015)

Figure A28: Tourism Expenditure, by Type, Greater Hobart, Year Ending March 1999-2014



Note: International visitation data unavailable pre-2006
Source: TRA (2015)

Figure A29: Tourism Expenditure, by Type, Tasmania, Year Ending March 1999-2014



Note: International visitation data unavailable pre-2006
Source: TRA (2015)

Appendix B: GRP Methodology

This document briefly outlines AEC's methodology for developing Gross Regional Product (GRP) estimates.

Gross Domestic Product (GDP) and Gross State Product (GSP) figures are produced on a regular basis and published by the Australian Bureau of Statistics and the relevant State and Territory Government departments. However, regular official estimates of production for sub-State regions do not exist (Gross Regional Product, GRP[1]).

The Australian Bureau of Statistics (ABS) use three approaches to calculate GDP / GSP (ABS, 2000):

- **Value added approach:** represents the difference between taking the market value of the goods and services produced by an industry (gross output) and deducting the cost of goods and services used up by the industry in the productive process (intermediate consumption);
- **Income approach:** calculates the cost of producing GRP by summing the incomes accruing from domestic production. These income components can be viewed as the market costs of production consisting of the compensation of employees (wages, salaries and supplements), provision for the consumption of fixed capital (depreciation), net operating surplus, and net indirect taxes; and
- **Expenditure approach:** sums all final expenditures (ignoring expenditure on intermediate consumption) on goods and services, add on the contribution of exports and deduct the value of imports. Final expenditures are known as final demand and include final consumption expenditure by households, gross fixed capital expenditure by producers (i.e. durable assets), investment stocks and exports to the rest of the world.

Due to data limitations it is not possible to calculate GRP using the same approach as national or State values. As such, a different approach is required that effectively utilises national or State figures and attempts to apportion these estimates to the constituent regions.

There are a number of different "top-down" approaches that can be employed to disaggregate national or State estimates. AEC estimate GRP at factor cost using an indirect, top-down approach to disaggregate official State GSP totals from the State Accounts, utilising a number of data sources to apportion GSP to sub-regions. AEC's approach is discussed in further detail below.

All GRP estimates, regardless of the approach, will be subject to a combination of any errors in the national/ State GSP estimates as well as those introduced by the methodology and data limitations used to allocate GSP to the constituent regions.

To allocate a State's GSP to its constituent regions, a number of data sources are used, including State Accounts, National Input-Output transaction tables, the Census of Population and Housing (in particular employment by industry estimates by place of work), the Australian Labour Force Survey and Small Area Labour Market data.

Disaggregation is undertaken through the following process:

- Transaction tables for each region and the State of interest were generated from the latest national Input-Output transaction table to develop preliminary gross production estimates for each region. Estimates of gross production (by industry) in the study areas were developed based on the percent contribution to employment (by place of work) of the study areas to the Australian economy, and applied to Australian gross output

[1] GRP at factor cost is that part of the cost of producing the gross regional product which consists of gross payments to factors of production (labour, land, capital and enterprise). It represents the value added by these factors in the process of production and is equivalent to gross regional product less indirect taxes plus subsidies.

identified in the Australian table. This provides gross value added and gross product estimates across 111 industries, which are then aggregated to the 19 major ANZSIC categories plus ownership of dwellings.

- Regional estimates developed from the transaction tables were equalized to State Account estimates of gross value added production by industry for the corresponding year (i.e., estimates were inflated/ deflated by an appropriate multiplier to ensure that aggregating each region would equate to the State figure).
- Preliminary growth rates for the State and Statistical Divisions for each industry were taken from the State Accounts figures (for the State) and regional differences in growth in employment by industry as outlined in the Labour Force Survey[2] (for the SDs).
- Preliminary growth estimates for each local government area of interest is generated based on growth in employment estimates as outlined in the Small Area Labour Market Data, with industry structure assumed to change in line with estimated change in structure for the SD in which it is located.
- All preliminary estimates were then equalized to the State Account estimates of gross value added production by industry using an appropriate multiplier to ensure that aggregating each region would equate to the State figure for that year.

AEC's methodology for estimating GRP is subject to the following key limitations:

- The use of the transaction tables provides preliminary estimates across 111 industries which allows for a greater richness in industry composition (and differences in value add by industry) than the traditional 19 sector approach. However, this approach does assume that production functions for each of the 111 industries are the same across all regions.
- The relative difference between each regions' value add per employee and that of the State is assumed to remain relatively constant across regions and over time, which may not be an accurate reflection of regional differences and changes in the actual economy.
- Annual employment counts in the Labour Force Survey and Small Area Labour Market data are based on usual place of residence, not place of work, which can misrepresent the actual level of employment in some regions and industries. To overcome this issue to some degree, AEC apply growth rates in these data sets only, rather than using these data sets to understand actual employment in each region.

These limitations can act to artificially inflate (or deflate) a region's or industry's GRP contributions. As such, the GRP estimates provided in this report should be used with caution, and are intended as a guide to the level of economic activity and growth in the region relative to other areas and the State.

[2] A smoothing technique using a Henderson Moving Average is applied to the Labour Force Survey to remove some of the volatility in this data series.

Appendix C: Precinct Maps (Destination Zone)

Figure C1: Inner City

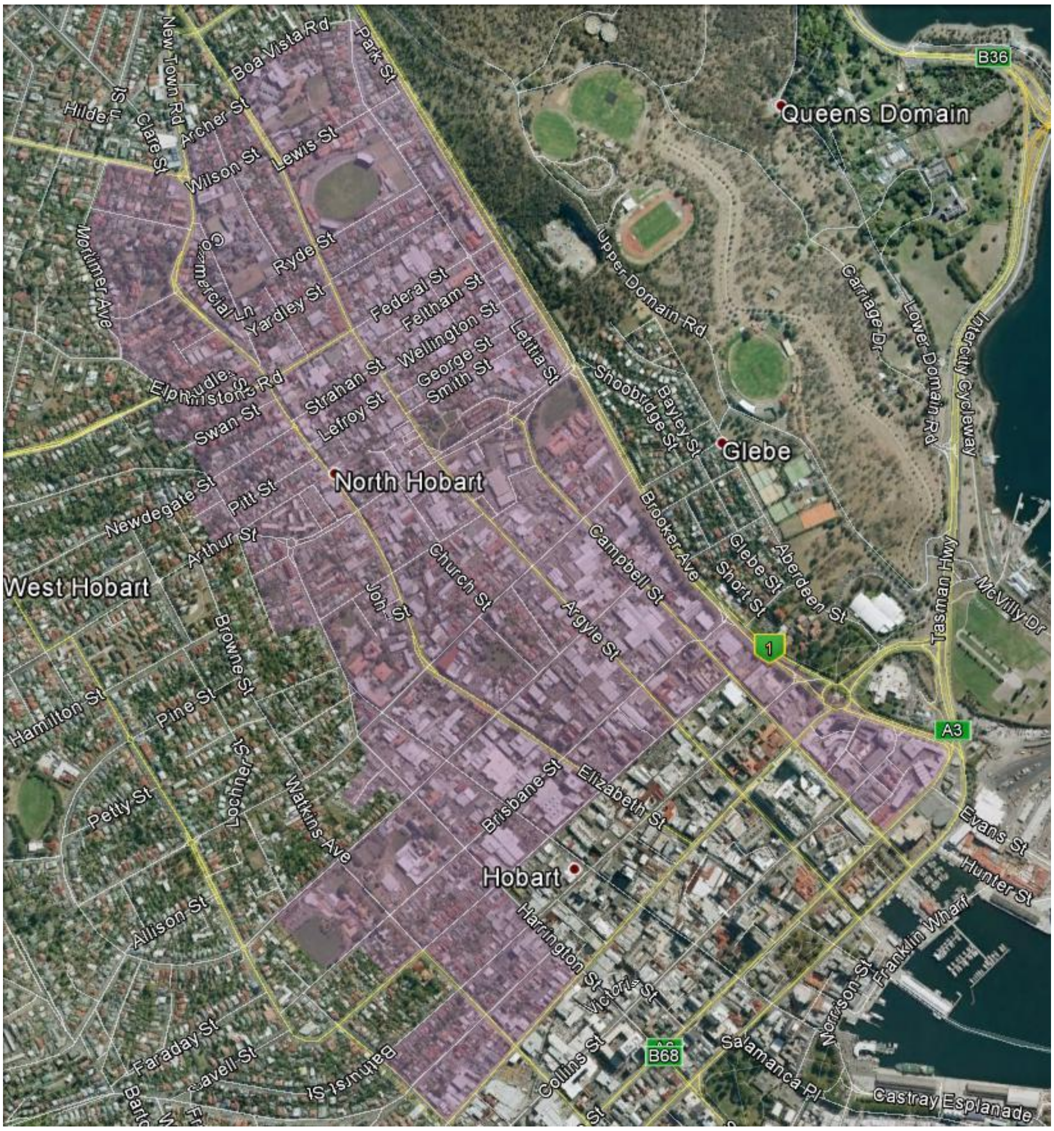
Source: Google Earth (2015)

AECgroup
Outcome Driven

Figure C2: Sandy Bay Road

Source: Google Earth (2015)

Figure C3: North Hobart and Surrounds

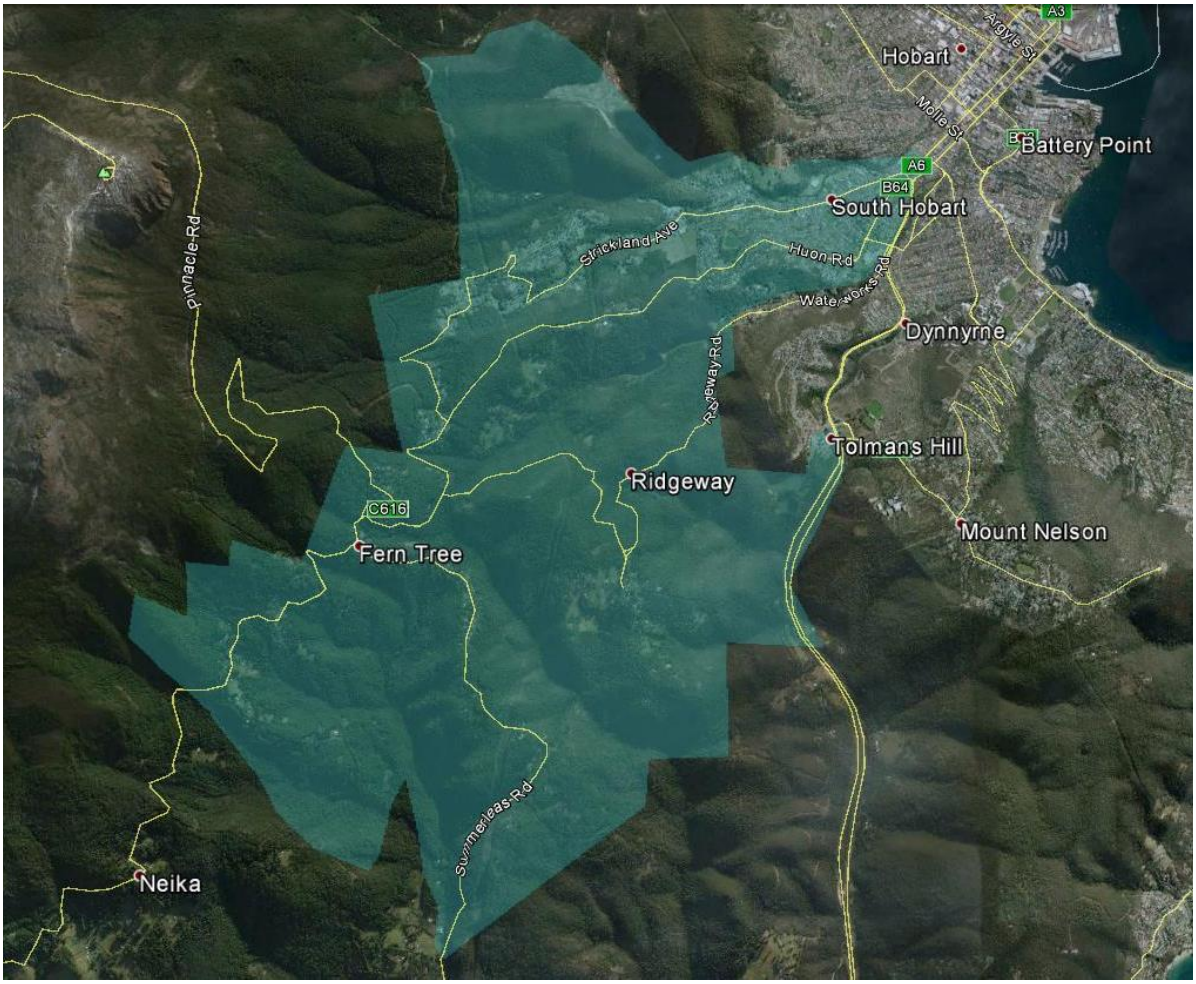


Source: Google Earth (2015)

Figure C4: Lower Sandy Bay

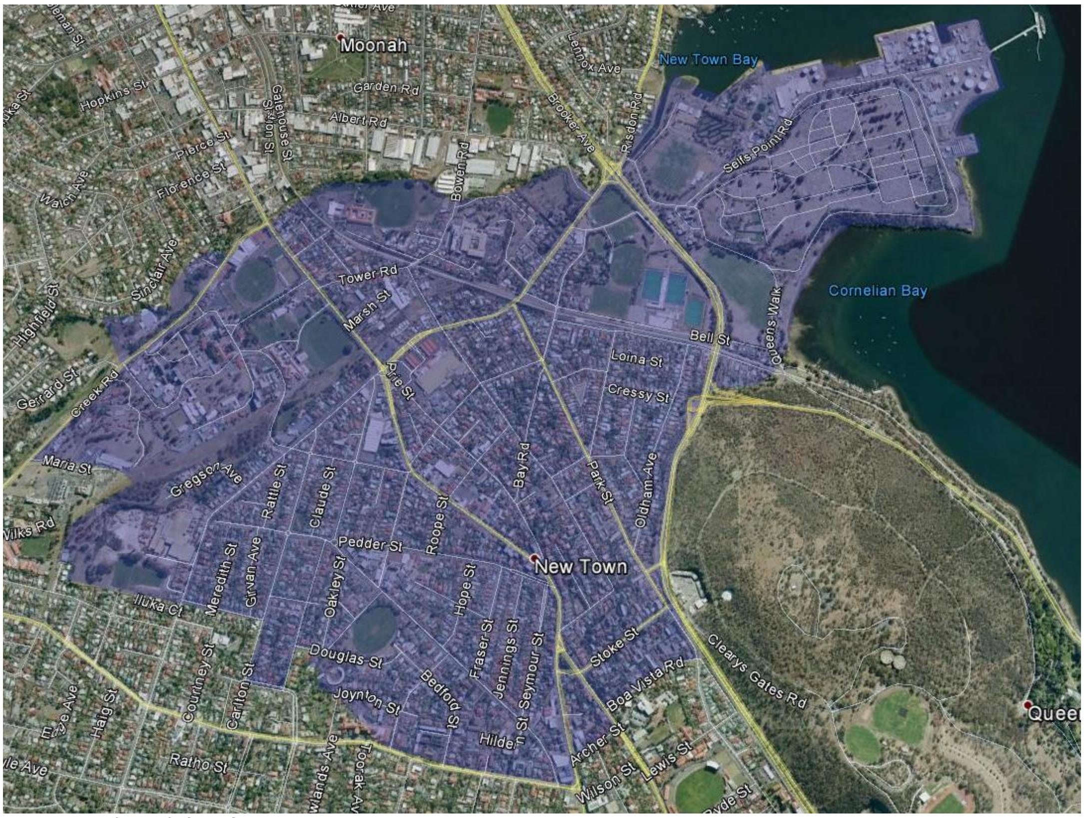
Source: Google Earth (2015)

Figure C5: South Hobart



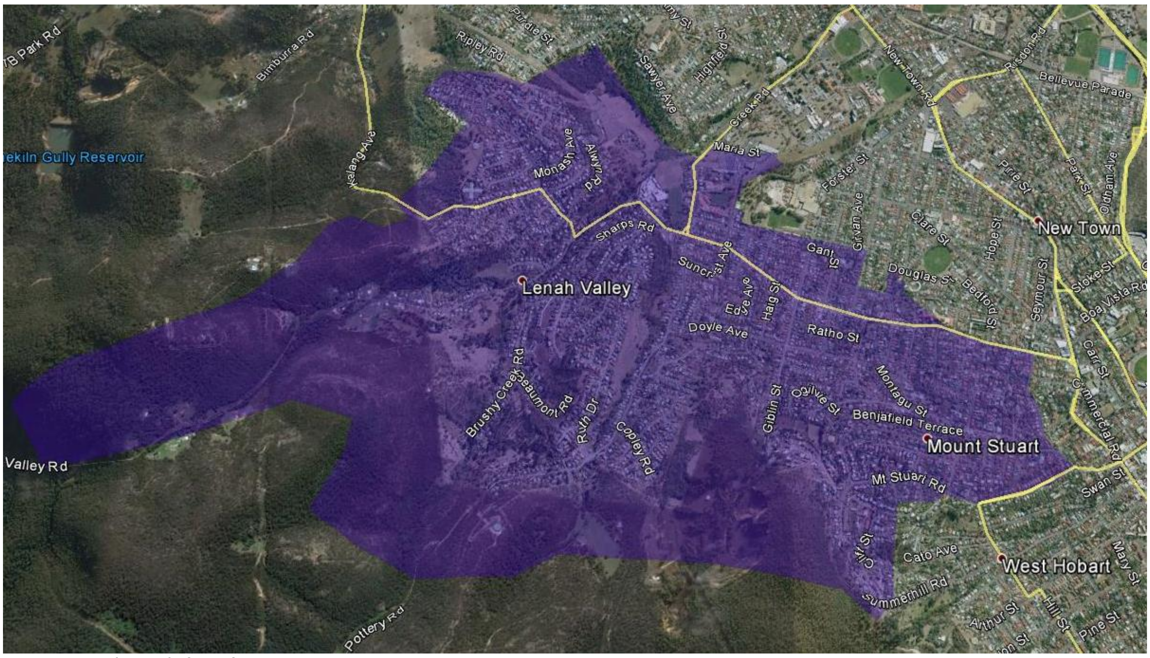
Source: Google Earth (2015)

Figure C6: New Town



Source: Google Earth (2015)

Figure C7: Lenah Valley



Source: Google Earth (2015)

Figure C8: Battery Point

Source: Google Earth (2015)

Appendix D: Precinct Maps (Statistical Area 1)

Figure D1: Inner City

Source: Google Earth (2015)

Figure D2: Sandy Bay Road

Source: Google Earth (2015)

Figure D3: North Hobart and Surrounds

Source: Google Earth (2015)

Figure D4: Lower Sandy Bay

Source: Google Earth (2015)

Figure D5: South Hobart

Source: Google Earth (2015)

Figure D6: New Town

Source: Google Earth (2015)

Figure D7: Lenah Valley

Source: Google Earth (2015)

Figure D8: Battery Point

Source: Google Earth (2015)

Appendix E: Competitive Assessment

Location Quotient Analysis

In order to demonstrate the specialisation of the economy, location quotients based on employment have been calculated. The location quotients demonstrate the degree to which a local or regional economy is specialised by examining the proportion of employment (by industry sub-sector) compared to a larger economy. Location quotients can be used to indicate strengths and weaknesses of a local or regional economy (i.e. its natural competitive advantage).

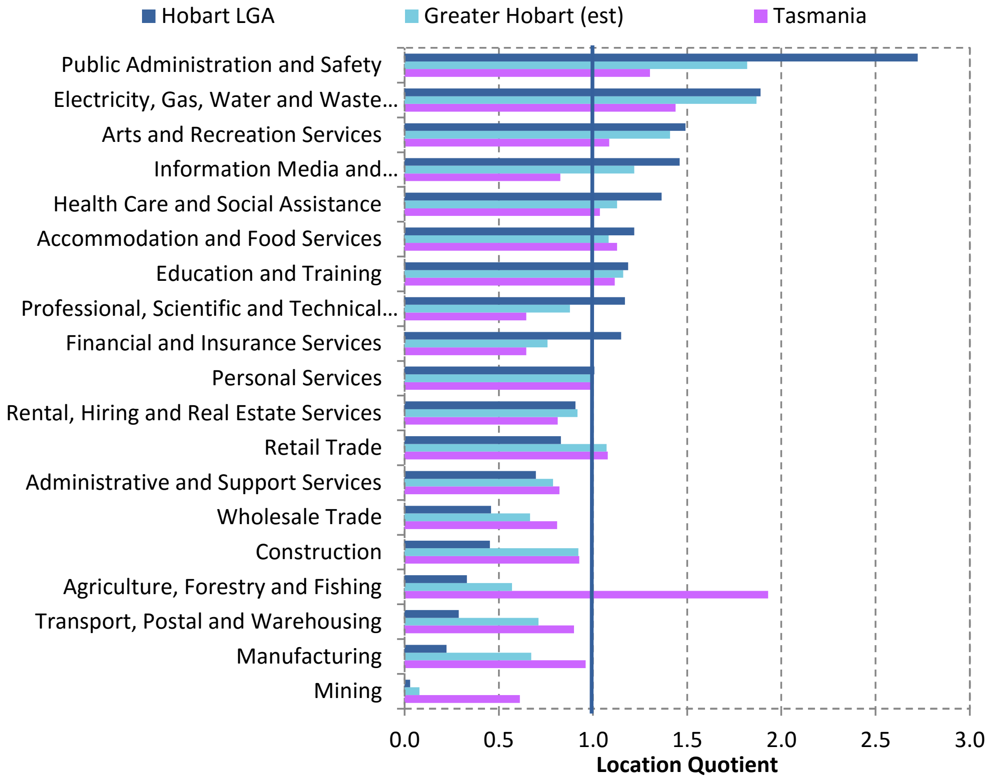
For this project, the analysis has compared the City of Hobart with Greater Hobart and Tasmania.

A location quotient of "1" means that the economies compared have an equal share of employment for a specific industry sector, thus no potential advantage either way. A location quotient above "1" indicated a specialisation of labour and therefore an area of potential competitive advantage. If the location quotient is below "1", the area has a weakness in this particular industry sector.

The following diagram illustrates the competitive advantages for Hobart LGA, by the 19-sector ANZSIC categories:

1. Public administration and safety
2. Electricity, gas, water and waste services
3. Arts and recreation services
4. Information media and telecommunications
5. Health care and social assistance
6. Accommodation and food services
7. Education and training
8. Professional, scientific and technical services
9. Financial and insurance services
10. Rental, hiring and real estate services
11. Retail trade
12. Administrative and support services
13. Wholesale trade
14. Construction
15. Agriculture, forestry and fishing
16. Transport, postal and warehousing
17. Manufacturing
18. Mining
19. Other services

Figure E1: Location Quotients, by 1-Digit ANZSIC (Ranked), Hobart LGA vs. Comparison Regions

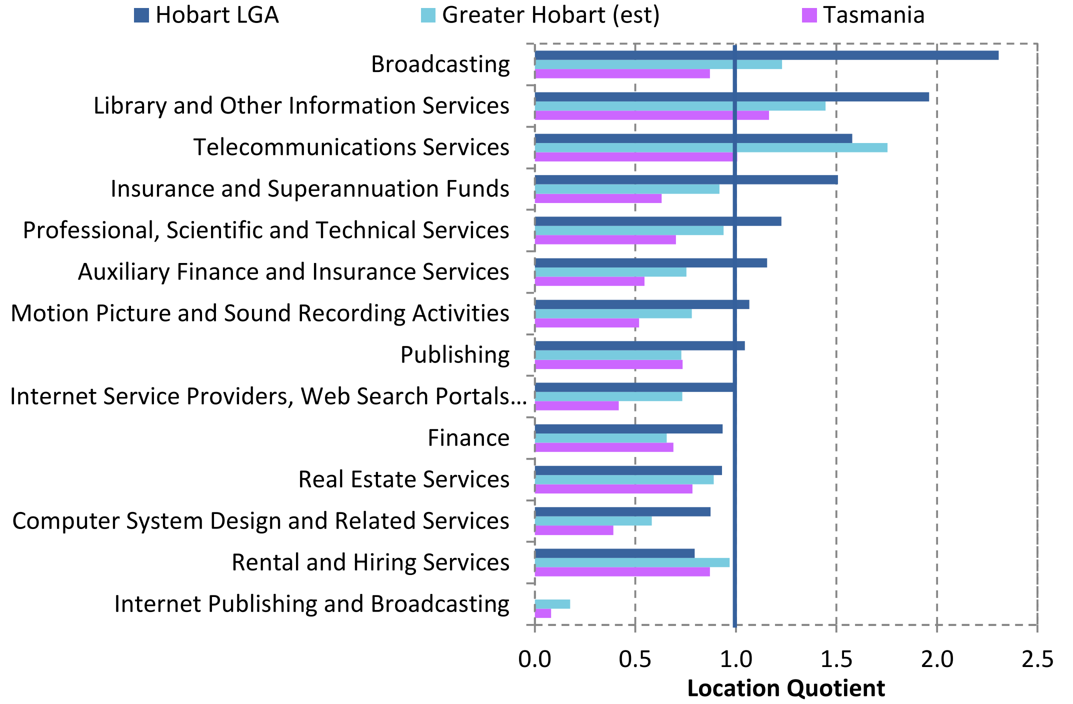


Source: AEC

The following diagram illustrates the competitive advantages for Hobart LGA, by the Business services categories:

- Broadcasting
- Library and other information services
- Telecommunication services
- Insurance and superannuation funds

Figure E2: Location Quotients, by 2-Digit Business Services* (Ranked), Hobart LGA vs. Comparison Regions

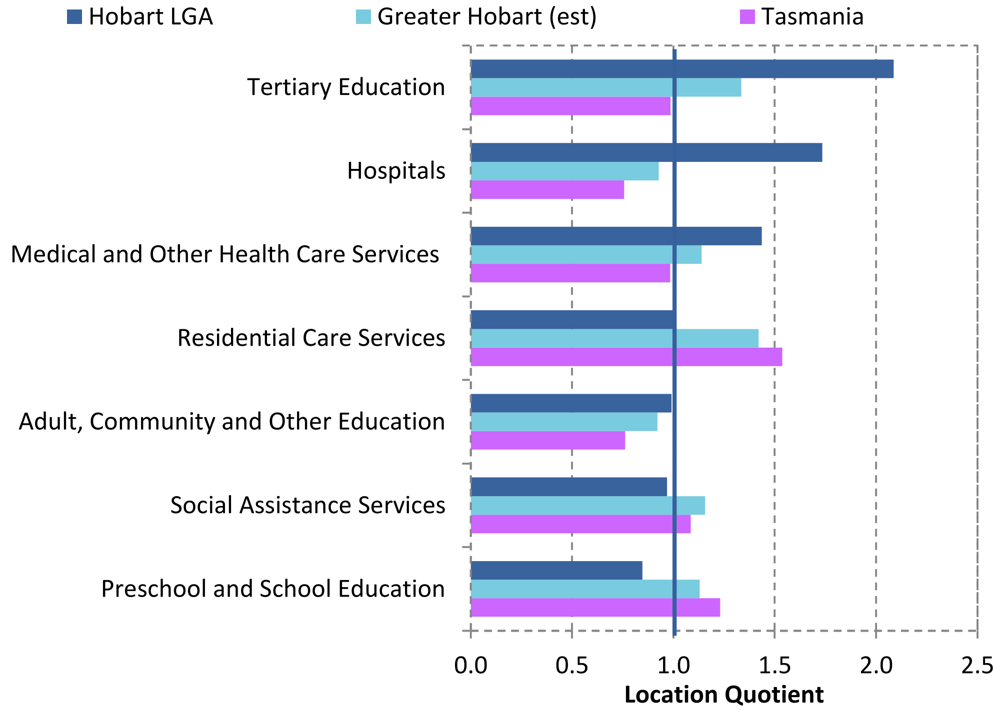


* Includes: Information Media and Telecommunications, Financial and Insurance Services, Rental, Hiring and Real Estate Services and Professional, Scientific and Technical Services.
Source: AEC

The following diagram illustrates the competitive advantages for Hobart LGA, by the Health and Education categories:

- Tertiary education
- Hospitals
- Medical and other care services
- Residential care services

Figure E3: Location Quotients, by 2-Digit Health and Education (Ranked), Hobart LGA vs. Comparison Regions



Source: AEC

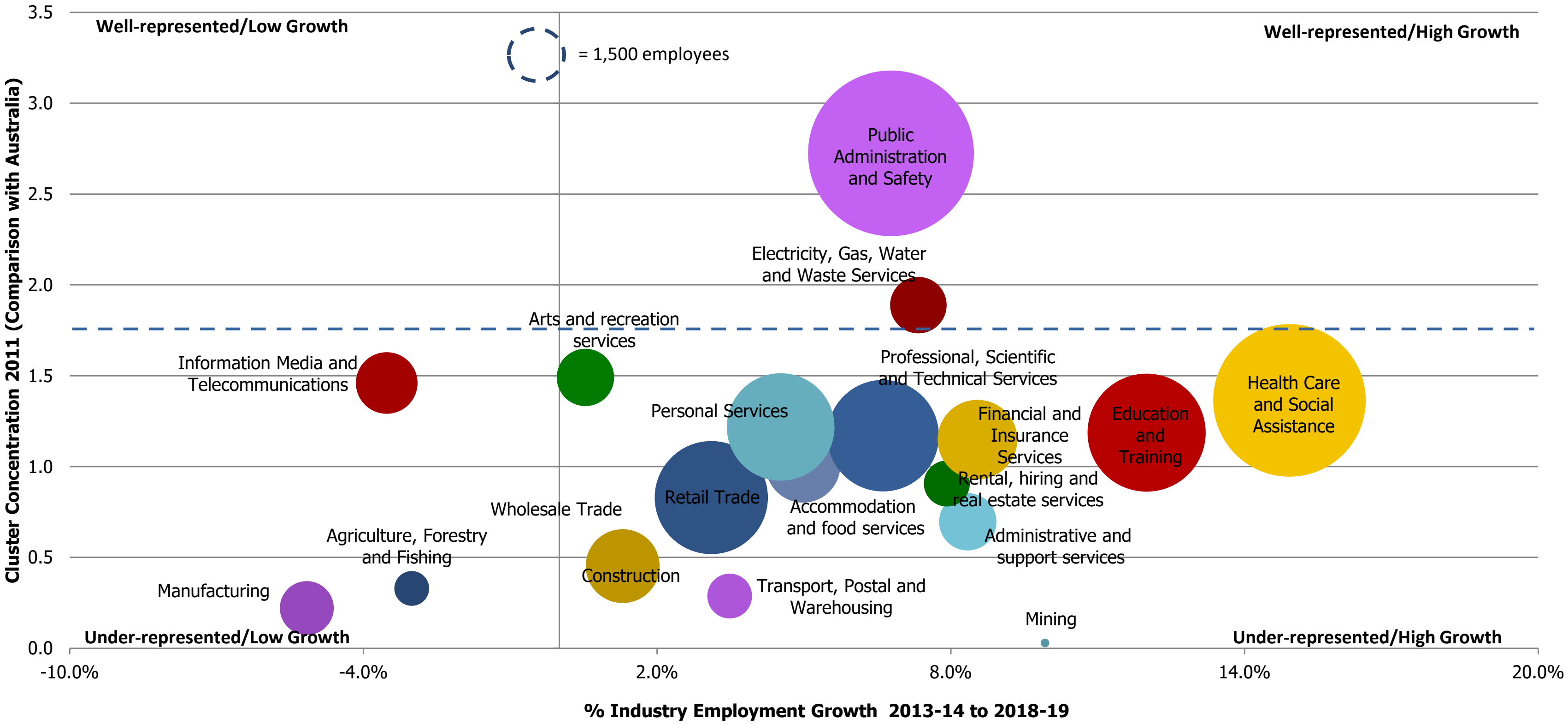
Cluster Mapping Analysis

Cluster mapping builds on the location quotient analysis by portraying the regional location quotients against national industry estimated employment growth over time (from 2013-14 to 2018-19). By incorporating industry growth, cluster mapping allows for the identification of growth opportunities in specific industry sectors, where a natural competitive advantage already exists against a backdrop of an expanding sector nationally.

The following diagram illustrates the following competitive strengths/ weaknesses of Hobart LGA:

- Strengths
  - Relatively strong representations in the high-growth sectors of Public administration and safety, Health care and social assistance, Education and training, and Electricity, gas, water and waste services
  - Relatively low representations in the low-growth sectors of Manufacturing, Agriculture, forestry and fishing, Construction and Transport, postal and warehousing
- Weaknesses
  - Relatively strong representation in the low-growth sector of Information media and telecommunications
  - Relatively low representations in the high-growth sectors of Administrative and support services

Figure E4: Cluster Mapping, Hobart LGA



Source: AEC

Import and Export Analysis

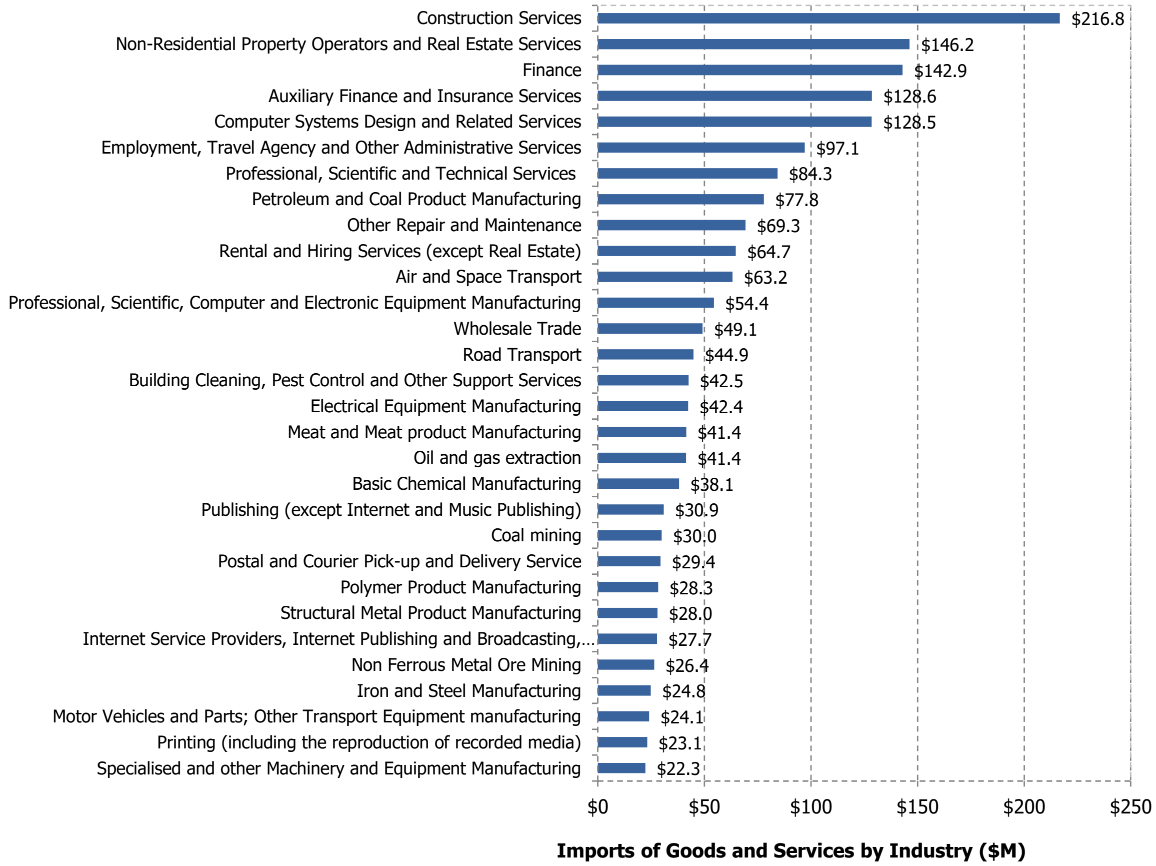
Prominent imports into a region can represent opportunities, where skills and labour can be easily sourced. This could improve local industry supply chains and provide additional job opportunities for locals.

Prominent imports into the City of Hobart in 2012-13 included:

- Construction services ($216.8 million).
- Non-residential property operators and real estate services ($146.2 million).
- Finance ($142.9 million).
- Auxiliary finance and insurance services ($128.6 million).
- Computer systems design and related services ($128.5 million).

Each of these sub industries are estimated to have had more than $125 million in goods and services imported into Hobart LGA in 2012-13, and combined accounted for one third of total imports into Hobart LGA.

Figure E.5. Top 30 Imported Industries, Hobart LGA, 2012-13



Source: AEC.

Key exports out of a region tend to be reflective of its competitive advantage and can represent opportunities for further growth and expansion.

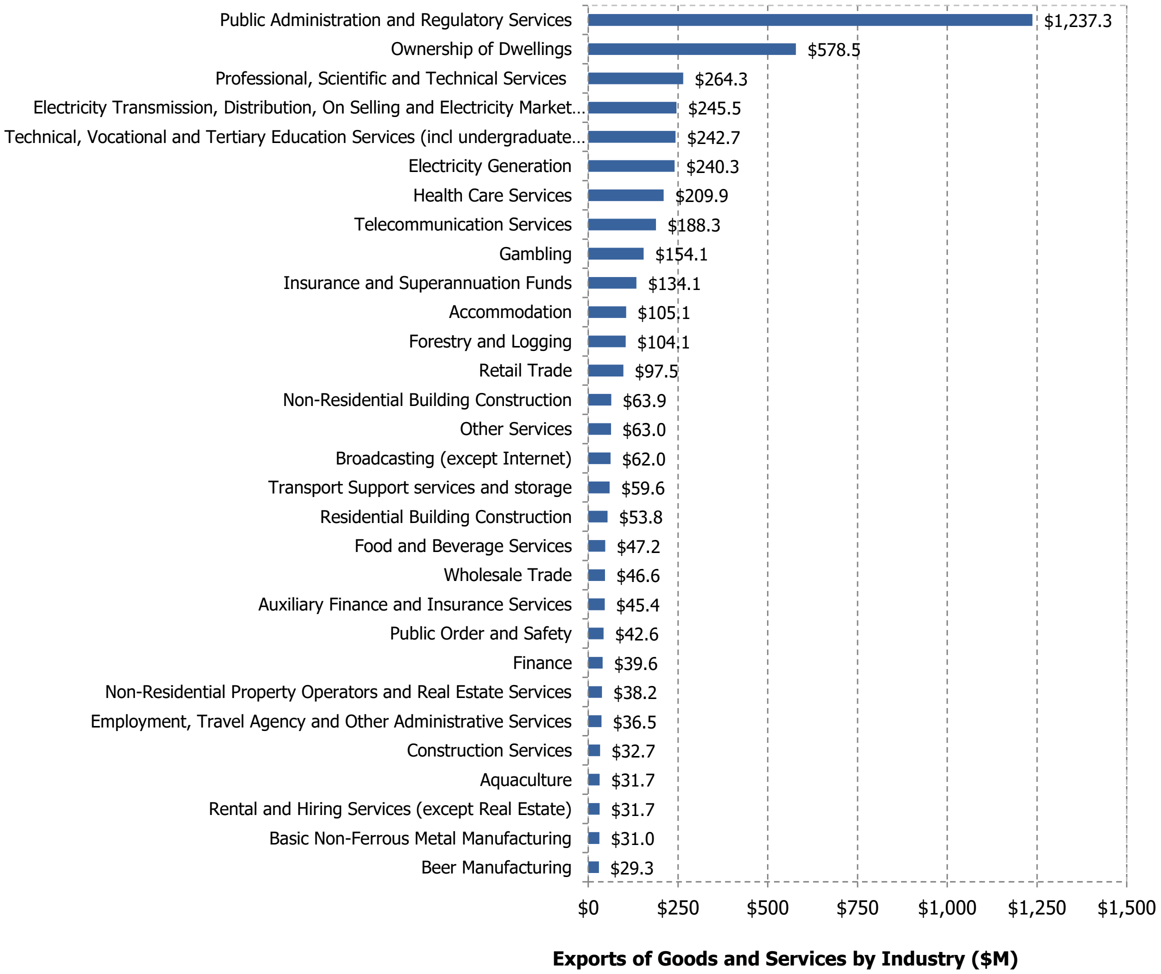
In keeping with Hobart LGAs role as a key administrative region for the State of Tasmania, public administration and regulatory services represented the largest exported good or service from Hobart LGA. This industry accounted for over one quarter of total exports from Hobart LGA, valued at more than $1.2 billion in 2012-13.

Other prominent exports from the City of Hobart include:

- Ownership of dwellings ($578.5 million), reflecting a sizeable investment property market in Hobart LGA (however this is a market outcome that should not be made a focus of economic development initiatives).
- Professional, scientific and technical services ($264.3 million).
- Electricity transmission, distribution, on Selling and electricity market operation ($245.5 million).
- Technical, vocational and tertiary education services (including undergraduate and postgraduate) ($242.7 million).
- Electricity generation ($240.3 million).
- Health care services ($209.9 million).

Each of these industries recorded over $200 million in exports, and combined (including public administration and regulatory services) accounted for 63% of total exports from Hobart LGA in 2012-13.

Figure E.6. Top 30 Exported Industries, Hobart LGA, 2012-13



Source: AEC.

In total, Hobart LGA is estimated to have exported around $4.8 billion in goods and services in 2012-13, and imported $2.3 billion. This is reflective of an economy that services a broad region, extending well beyond its own political boundaries.

THIS PAGE IS LEFT INTENTIONALLY BLANK

AECgroup
Outcome Driven

Brisbane	Level 5, 131 Leichhardt Street Spring Hill QLD 4000	PO Box 942 Spring Hill QLD 4004	T +61 7 3831 0577
Darwin	Level 1, Paspalis Centrepoint Building 48-50 Smith Street Mall Darwin NT 0800	PO Box 942 Spring Hill QLD 4004	T +61 8 8943 0600
Melbourne	Level 13, 200 Queen Street Melbourne VIC 3000	PO Box 942 Spring Hill QLD 4004	T +61 3 8648 6586
Perth	Level 2, 580 Hay Street Perth WA 6000 Australia	PO Box 942 Spring Hill QLD 4004	T +61 8 6555 4940
Sydney	Level 3, 507 Kent Street Sydney NSW 2000	PO Box 942 Spring Hill QLD 4004	T +61 2 9283 8400
Townsville	233 Flinders Street East Townsville QLD 4810	PO Box 5804 Townsville QLD 4810	T +61 7 4771 5550
Bangkok	Level 11 Glas Haus Building 1 Soi Sukhumvit 25, Sukhumvit Road Wattana, Bangkok 10110 Thailand		T +66 2 402 8400
Shanghai	46F Hongkong New World Tower, 300 Huahai Road Central 200021 China		T +8621 6135 2310

www.aecgroupltd.com

Attachment B

Gaps and Opportunities Study

City of Hobart

March, 2016

AECgroup
Outcome Driven

Document Control

Job ID:	18068BNE
Job Name:	Gaps and Opportunities Study
Client:	Hobart City Council
Client Contact:	Lucy Knott
Project Manager:	Nick McGuire
Email:	nick.mcguire@aecgroupltd.com
Telephone:	07 3831 0577
Document Name:	CITY OF HOBART Gaps and Opportunities Study
Last Saved:	4/3/2016 12:19 PM

Version	Date	Reviewed	Approved
Draft v1.0	18 September, 2015	NM	
Final Report	4 March, 2016	NM	ARP

Executive Summary

Project Background

The City of Hobart endorsed the Economic Development Strategy 2013-18 (EDS) in October 2013. Economic conditions have changed since then and it is believed that some of the actions encompassed in the EDS lack current relevance to the City of Hobart.

Hobart City Council engaged AEC Group Pty Ltd (AEC) to undertake a study of the City of Hobart to inform a mid-term review of the EDS. This study will aid Council in reviewing the relevance of the EDS in the current economic climate and if appropriate will inform new themes for a refreshed EDS. This economic data will also provide a valuable reference point for comparison with past and future economic analyses.

Purpose of this Report

This report incorporates a detailed analysis of the local economy and the other key attributes that come together to define the economic advantages and challenges within the Hobart Local Government Area (LGA). Consultation was undertaken with a range of stakeholders identified by Hobart City Council subsequent to the initial data analysis. The stakeholders engaged included a diverse range of industry sectors and representatives of both State and local government. All stakeholders engaged are involved in major projects or industries across the city. The stakeholders participated in a series of one-on-one interviews to provide on the ground insights into their perceptions of the gaps and opportunities that exist within the Hobart LGA economy.

This report aims to bring together all of the analysis and consultation to provide a summary of the current situation, identify a range of potential opportunities for economic development and the role Hobart City Council can play in facilitating the solutions.

Opportunities for Growth

Provided in the table below is a summary of the key themes, opportunities and/ or gaps that emerged during this study and need to be addressed in order to facilitate economic growth:

- Visitor Attraction and Support
  - Enabling Tourism Infrastructure
    - Hotel Development
    - Hobart Convention Centre
    - Cruise Ship Market
    - Mount Wellington
  - Destination Development
    - The MONA Effect
    - Industry Skills Development Program
    - Destination Management Plan
- Emerging Industries
  - Health Care & Social Assistance
  - Antarctic Sector Development
    - Established and New Market Development
    - Relationship Development
    - Infrastructure
  - International Education

- Strategic Partnerships
    - CBD Activation
    - Hobart International Airport
    - Regional Collaboration on Investment Attraction Priorities
    - International Relations
- Communication and Networking
    - Hobart's Innovation Events Forum
    - Communications Action Plan
    - Business Engagement Plan

Priorities

Flowing from the identified opportunities for growth are a series of current priorities for Hobart City Council and other key stakeholders across the Greater Hobart area to develop and implement to support and facilitate the ongoing development of the local economy.

The areas identified as priorities for Council to address the needs and requirements of short to medium term economic development include (in no priority order):

- Short Term Accommodation Market Needs Analysis
- Night Time Economy Strategy
- Greater Hobart Investment Prospectus
- International Capacity Building Program
- International Economic Cooperation Agreements/ Addendums
- Hobart's Innovation Events Forum
- Communications Action Plan
- Business Engagement Plan (including Business Survey)

Working Together to Progress Priorities

A key opportunity identified during the consultation was the need for increased cross local government (particularly neighbouring LGA's) collaboration in planning, investment attraction and general economic development. Key areas of importance resulting from this centred on:

- The importance of collaboration
- The importance of stakeholders working together and being on the same page
- The importance of priorities, focusing on the areas that are going to have the greatest positive impact on the local community, investment and jobs creation going forward.

The general message in relation to Hobart City Council working collaboratively with other levels of government was positive. To achieve outcomes associated with the priorities identified in this study this will need to continue, as it will take key stakeholders across all levels of government and from within the business community working together to achieve sustained economic growth.

Table of Contents

1. Introduction

1.1 Project Background

The City of Hobart endorsed the current Economic Development Strategy 2013-18 (EDS) in October 2013. Economic conditions have changed since the endorsement and it is now believed that some of the actions encompassed in the EDS lack current relevance to the City of Hobart.

Hobart City Council engaged AEC Group Pty Ltd (AEC) to undertake a study of the City of Hobart to inform a mid-term review of the EDS. This study comprises an extensive gathering and analysis of data, as well as consultation with a diverse range of stakeholders to identify economic gaps and opportunities across the city. This study will aid Council in reviewing the relevance of the EDS in the current economic climate and if appropriate will inform new themes for a refreshed EDS. This economic data will also provide a valuable reference point for comparison with past and future economic analyses.

1.2 Purpose of this Report

This report incorporates a detailed analysis of the local economy and the other key attributes that come together to define the economic advantages and challenges within the Hobart LGA. Consultation was undertaken with a range of stakeholders identified by Hobart City Council subsequent to the initial data analysis. The stakeholders engaged included a diverse range of industry sectors and representatives of both State and local government. All stakeholders engaged are involved in major projects or industries across the city. The stakeholders participated in a series of one-on-one interviews to provide on the ground insights into their perceptions of the gaps and opportunities that exist within the Hobart LGA economy.

This report aims to bring together all of the analysis and consultation to provide a summary of the current situation, identify a range of potential opportunities for economic development and the role Hobart City Council can play in facilitating the solutions.

Ultimately, the content of this report will be adapted and incorporated into the revised Economic Development Strategy for the City of Hobart, as it will be based on current data and feedback from industry.

1.3 Project Process

The project was delivered across three key stages:

Figure 1.1. Project Overview

Economic Context	Stakeholder Consultation	Gaps & Opportunities
• Detailed data collection and analysis to develop an economic baseline • Economic overview of overall economy, industries and other relevant factors • Precinct based economic analysis • Influencing factors and trends	• Validate and test baseline data • Identify gaps and opportunities for development and growth not identified through the initial analysis • Explore solutions to constraints	• Competitive Strengths • Opportunities for growth • Delivery & implementation requirements • Roles and responsibilities

Source: AEC

2. Situation Analysis

2.1 Introduction

The City of Hobart (Hobart) economic environment has a strong emphasis around traditional white collar industries, such as Public Administration and Safety, Health Care and Social Assistance, Finance and Insurance Services and Education and Training. These sectors are largely driven by the needs of the resident population. The projected population growth for the area is limited so it is therefore vitally important that Hobart as a City explores and develops other opportunities to assist in diversifying and growing the economy.

Hobart has strong competitive advantages in areas such as education and research, through institutes such as the University of Tasmania and the Australian Antarctic Division. As the capital of the state, Hobart is an obvious visitor node for the majority of tourists to Tasmania and the gateway to many of the State's natural attractions. Hobart's lifestyle and natural environment also contribute to what makes the City an attractive destination to live and work.

This study explores these strategic assets and other gaps and opportunities that have the potential to diversify and strengthen the economic profile of the City.

2.2 Socio-Economic Overview

A summary of the key factors influencing the current economic climate in Hobart are provided below. A more detailed overview is included in the Background Report.

<u>Economy</u>:

- Hobart had an estimated GRP of approximately $6.0 billion in 2013-14, which corresponds to approximately 52% of Greater Hobart's (Hobart, Kingborough, Glenorchy, Clarence, Sorrell and Brighton LGAs) GRP and approximately 24% of Tasmania's GRP for the same period.
- Key industries across Hobart in terms of Industry Value Add, include:
    - Public Administration and Safety (14%)
    - Health Care and Social Assistance (12%)
    - Financial and Insurance Services (10%)
    - Education and Training (8%)

<u>Employment:</u>

- The labour market has improved recently (from early 2014), resulting in an increase in the number of jobs and decrease in unemployment rate across Hobart.
- Employment for Hobart reflects similar sectors to those identified above as contributing strong economic value, including:
    - Public Administration and Safety (approximately 17%)
    - Health Care and Social Assistance (16%)
    - Education and Training (10%)
- In 2011 71.5% (17,050) of employed residents of Hobart also work in Hobart, whereas 21.6% leave Hobart but work within the Greater Hobart area:
    - Glenorchy LGA 9.4%
    - Clarence LGA 6.1%
    - Kingborough LGA 3.3%
    - Brighton LGA 0.6%
    - Sorrell 0.3%
    - Other (Place of Work provided as Greater Hobart) 1.9%

- Of the workers employed in the Hobart LGA just 37.1% of these workers also live in the Hobart LGA. This highlights a significant inflow of workers into the Hobart LGA each day for work purposes.

Precinct Employment

- Employment within the precincts varies significantly, with the Inner City precinct comprising the largest concentration of workers (20,722 workers in 2011), representing just under 50% of jobs across all precincts combined, thus highlighting its strategic importance to the broader region. Other 'larger precincts' include North Hobart and Surrounds (7,552), Battery Point (4,853) and Sandy Bay Road (3,960).
- The industry profile also varies significantly between precincts:
    - Employment in public administration and safety is primarily concentrated in the Inner City precinct in both relative and absolute terms (more than 7,200 workers and representing approximately 35.2% of workers within the precinct). In particular, the Inner City precinct comprises approximately 82% of all jobs in public administration and safety within the Hobart LGA. Although with a significantly smaller number of workers, Battery Point (almost 700 workers) and North Hobart and Surrounds (approximately 450 workers) represent other 'key precincts' for employment in public administration and safety.
    - Employment in education and training is mainly concentrated within the Sandy Bay Road precinct (approximately 1,650 workers) and the North Hobart and Surrounds precinct (approximately 1,120 workers) as a result of UTAS and other educational facilities. Together, these two precincts comprise approximately 66% of jobs in education and training within the Hobart LGA.
    - Employment in health care and social assistance is relatively more balanced across the various precincts, with the Inner City precinct comprising approximately 47% of the jobs within this sector (more than 3,400 workers), primarily as a result of the Royal Hobart Hospital. Health care and social assistance represents the largest employer in Lower Sandy Bay, South Hobart, New Town and Lenah Valley, though significantly smaller in absolute terms compared to the Inner City precinct.
    - There are 861 Professional, scientific and technical service jobs at Battery Point where a major portion of the Antarctic related business is located.

Business Profile:

- Business profile data highlights 4.8% growth in total business numbers in Hobart in the 2009-13 period.
- 7.1% (or a total of 421) of businesses have a turnover of $2 million or more. It is important to get an understanding of who these businesses are and what the influencing factors are that have the potential to cause positive or negative change to their business.
- 26.5% (or a total of 1,572) of businesses have a turnover between zero to $50,000. As above, while it is important to understand and work with the large businesses, it is equally important to identify opportunities to support the growth of these smaller businesses.
- The breakdown of the remaining business numbers in Hobart based on turnover is as follows:
    - $50,000 to <$100,000 is 15% (888)
    - $100,000 to <$200,000 is 16% (947)
    - $200,000 to <$500,000 is 19.4% (1,149), and
    - $500,000 to <$2,000,000 is 16% (947)

- All of these figures suggest that there is a fairly even spread of businesses operating within the mix of turnover categories, with the highest and lowest representation being in the smallest and largest turnover categories. The key to facilitating improvement or growth in these categories is based around building a greater level of understanding around what drives these businesses and what will increase their confidence to expand, and then work with them to identify ways that Council can play a positive role in facilitating sustainable growth.
- 58.6% of businesses in the Hobart LGA are sole operators (i.e. non-employing). It would provide valuable insight into the confidence of the local business community if it were known what intentions these businesses have regarding the future employment of staff. This type of Business Confidence survey can be used to guide future workforce planning priorities as well.

<u>Population and Demographics:</u>

- Population in Hobart has grown at an annual rate of 0.5% across the 2001 to 2014 period, representing an increase of approximately 250 people per annum.
- Hobart is forecast to grow from a population of approximately 50,600 people in 2014 to approximately 54,000 people in 2036.
- Tasmania's Population Growth Strategy has set the target of growing the population to 650,000 people by 2050, and as the capital city Hobart has a major role to play in contributing towards this population growth.

<u>Tourism:</u>

- Hobart has received between 1.27 and 1.6 million visitors per year since 2006.
- Holiday/ leisure is the dominant reason for people visiting Hobart.
- Just over half of all visitors to Hobart come from elsewhere in Tasmania.
- Since 2006, visitors have spent between $628 million to $1.056 billion per year in Hobart.

Note – Tourism Tasmania sources its data through Tourism Research Australia (TRA) and also conducts its own visitor surveys. AEC sources all of its tourism data through TRA this explains if there are any discrepancies between the data in this report and other data used by Council.

Influencing Factors and Trends

There are a range of different local, regional and macro factors and trends that have the potential to influence the local economy, some of the key influencing factors observed to have influenced or likely to influence the growth of Hobart include:

- The continual growth of the middle class across Asia is expected to present an increasing array of opportunities for Australia (including export opportunities of high value commodities).
  - Hobart City Council has established strong relationships in the Chinese market, and these relationships provide a strong platform for generating economic outcomes for the City. In addition to China, Australia has also recently concluded Free Trade Agreements with Korea and Japan. These all should be explored to identify whether opportunities exist for local businesses to take advantage of these agreements.
- Australia is experiencing an ageing of its population, which in turn is impacting upon new opportunities and service demands.
  - Hobart, like all areas in Australia has an ageing population and a limited revenue base from which to service this need. The ageing population presents opportunities for business growth in the Health Care and Social Assistance sector.
- Technology and how it influences both the workforce and consumer trends.
  - Working hubs and 'smart offices' will allow the workers of the future to live and work in the places they choose, which will increasingly be in places of highly diverse or otherwise attractive regions. Hobart's attractive lifestyle places it in a good position to take advantage of this trend.
- Innovation and productivity growth are essential elements in improving living standards.
  - Hobart has a range of highly innovative industries and cohorts of its business community, essential ingredients to continue this are supportive research and development and commercialisation frameworks.
- The need for basic infrastructure to drive business investment, growth and productivity, which includes basic utilities, ICT, transport and other social networks and facilities.
  - The continued upgrades and improvements to infrastructure in Hobart are essential to ensure delivery stays ahead of demand and as a result Hobart is able to continue to service the existing community while at the same time attracting new residents and businesses. Hobart's natural environment is a major part of what makes the City an attractive destination, and while upgrades and improvements to infrastructure needs to be a priority it cannot be at the expense of the City's natural assets.

2.3 Key Themes

A number of key themes have emerged from the economic analysis and consultation undertaken that help to characterise the key opportunities for growth within Hobart, which include:

- Visitor Attraction and Support: including new tourism infrastructure, products and a focus on the continued refreshment of iconic experiences to ensure that the tourism industry continues to evolve and remain relevant.
- Emerging Industries: including new and emerging industries that have the potential to diversify the local economy and significantly contribute to the growth and profile of Hobart.
- Strategic Partnerships: including activation of key economic opportunities through the development and ongoing management of relationships and partnerships. Critical components of this will include working with neighbouring LGA's as well as attracting new and supporting existing businesses.
- Communication and Networking: includes a range of proposed events and activities designed to increase the levels of networking, information sharing and communication with the local business community.

Each theme is broken down further into a series of sub-themes and explored in more detail (in the subsequent chapter) to assist in clarifying and defining the opportunities that exist.

2.4 Role of Council

The role of Council in the area of economic development is sometimes difficult to define and will vary depending on the needs of the community and the opportunities to drive economic growth. The role of Council will always fall into one of the following categories:

- Advocacy
- Facilitation
- Planning and Regulation
- Provider of Services
- Stakeholder

Ultimately Council needs to have a clear understanding of the role it will play in responding to all of the economic development gaps and opportunities identified below and how they will drive, facilitate, encourage or communicate the desired outcomes. A detailed overview of each of the above roles is provided in Appendix A.

3. Gaps and Opportunities Analysis

The following section highlights the key opportunities and actions for Hobart City Council to pursue that have the potential to positively impact upon the development of the local economy. Each table below highlights exactly what the gap or opportunity is, what needs to happen in order to address this and then a descriptor of the potential role of Council in the delivery of each activity.

3.1 Visitor Attraction and Support

3.1.1 Enabling Tourism Infrastructure

Tourism has been identified as a priority sector with the potential to play a significant role in the economic development of Hobart. The Greater Hobart area possesses a diverse mix of natural and built assets that make it an attractive holiday destination. In order to preserve and enhance these assets and continue to support the growth of the tourism industry it is important that the appropriate infrastructure is in place.

Provided below are a range of tourism infrastructure related projects that have the potential to contribute to providing the platform for the growth of the sector and the City as a whole.

What is the gap / opportunity …	What needs to happen next …	Role of Council
• Hotel Development: ○ There are a number of different accommodation / hotel developers in Hobart with development approvals. The development of this infrastructure will create short and long-term jobs and will contribute to the overall development of the tourism market.	• It is important Council maintain contact with these developers to gain an understanding of the timeframes for development, and whether there is anything impeding progress. • If a shortage of capital is preventing the developments from going ahead then Council can play a role in working with other levels of government to identify potential investors.	• Facilitation, Advocacy • Facilitation, Advocacy
○ There is a perception that there is a shortage of hotel accommodation in southern Tasmania, particularly Hobart. This demand is not being questioned in this report, but further information regarding the extent is needed to ensure demand is met (i.e. the shortage is fully addressed or alternatively to make sure the market is not oversupplied with development that cannot be sustained).	• To determine demand for hotel accommodation in southern Tasmania a Short Term Accommodation Market Needs Analysis is required. Ideally this study would be a cooperative project involving Hobart City Council, State Government, Tourism Tasmania and Destination Southern Tasmania as each of these stakeholders have a role to play in destination development. • Council should play a lead role in bringing the stakeholders together to discuss how to take this initiative forward.	• Facilitation, Stakeholder • Facilitation
• Hobart Convention Centre: ○ Business Events Tasmania (BET) is undertaking a feasibility study into the development of a Convention Centre in Hobart. The potential need for this type of facility came up numerous times during consultation and as a result it is included in this study as a reference to support the work currently being undertaken by BET.	• Council needs to be aware of the outcomes of this study and the scope for the Short Term Accommodation Market Needs Analysis should include the outcomes of the feasibility study as a point of reference. • Should the feasibility study identify there is demand for a Convention Centre then there is potentially a role for Council to play in advocating for the funds to deliver the facility.	• Facilitation, Provider of Services, Stakeholder • Advocacy

What is the gap / opportunity …	What needs to happen next …	Role of Council
• Cruise Ship Market: ○ The cruise ship market is a growing industry globally, and the itineraries being offered in Australia are continuously expanding. Within Tasmania the Greater Hobart area hosted the majority of cruise ship visits to Tasmania in 2014/15, where approximately $21.5 million of cruise shipping related expenditure occurred, compared to a total of $32.5 million for Tasmania. ○ It is believed that one of the key growth areas is the Chinese 'Fly-Cruise' market. ○ Tasports are upgrading infrastructure at Macquarie Wharves 2 and 3 in preparation for the 2016/17 season, and at the conclusion of these works Hobart will be able to accommodate vessels up to a length overall (LOA) of 350 metres and a draft of 8.8 metres. ○ The opportunity for Hobart in relation to the cruise ship market is about continuing to understand global trends and ensuring that local networks and operators continue to be ahead of the game and prepared for these opportunities so that collectively they can maximise the spend of cruise ship visitors.	• Reference to the cruise ship market is not included in this study because there is an identified gap, it is included to reinforce the work that is already happening and to emphasise the need to continue to develop and evolve the local offering to support the growth of the industry. • The current management of the cruise ship industry in Hobart appears to be a professional network. Key stakeholders, such as Tourism Tasmania, Destination Southern Tasmania, Tasports, Council through the Tasmanian Travel & Information Centre (TTIC) and other private stakeholders are all actively involved in the development of this industry and the associated opportunities. • Council's role, through TTIC, is to continue to proactively participate in relevant networks and continue to support and develop opportunities, such as the annual Cruise Ship Forum that are aimed at the development of the industry.	• Facilitation, Stakeholder
• Mount Wellington: ○ Mount Wellington and the Derwent River are the two most iconic strategic assets in the City of Hobart, so it is critical that they are protected and preserved, but at the same time explore opportunities to leverage them as natural assets for the economic benefit of the City. ○ Mount Wellington has been the subject of development discussions at 'The Springs' site since 1999. In the time since, a number of different development options have been explored. Most recently Council undertook an open EOI process in late 2014 and has since granted a proponent a period of exclusivity to prepare an appropriate development proposal. This process is ongoing. ○ Development on Mount Wellington presents an exciting opportunity, but it is critical that whatever is progressed demonstrates high levels of respect for the natural environment, heritage and indigenous values of the site.	• Continue to facilitate the EOI process and the associated development proposal at 'The Springs' site on Mount Wellington.	• Planning & Regulation, Provider of Services, Facilitation

3.1.2 Destination Development

Destination development is about making sure the 'soft' or supporting infrastructure is in place to facilitate the growth of the tourism industry. This might include identifying and leveraging off growing and established tourism product and ensuring the drivers of the local industry, the tourism operators, have the skills required to ensure the product delivered matches the quality of the environment and the message being sold. Some of the priority initiatives in this area include:

- Leveraging the MONA Effect
- Industry Skills Development Program
- Destination Management Plan

What is the gap / opportunity ...	What needs to happen next ...	Role of Council
• The MONA Effect: o MONA has generated interest in the Greater Hobart area that presents many opportunities to develop and diversify the tourism offering across the broader Southern Tasmania area. o This presents an excellent opportunity to maximise the visitor experience by operators working together to develop tourism packages. o In support of the above, during the 2006-2011 period Arts and Recreation Services grew by 28.5% (237 jobs). While the actual job numbers are not high this is a fair indicator of the contribution that MONA is having on the economy.	• Hobart City Council supported a three-year program of study coordinated between Monash University and UTAS that examined the MONA effect. • This study is exploring questions such as: o What effect is MONA having on the cultural economy? o Is MONA changing how locals and visitors perceive Tasmania? o How is the local art scene influencing this shifting cultural economy? o Are there any negative effects and how can these be worked through? • Given the impact that MONA is having on the local community and economy, the outcomes of this study need to be explored collaboratively between all levels of government and industry to ensure opportunities to diversify and grow the industry are being pursued. • In addition to this, Council/ TTIC have a role to play in working with the local tourism industry to facilitate the development of appropriate tourism packages that will add value to the visitor experience and the diversity of the tourism industry in general.	• Facilitation, stakeholder • Facilitation, stakeholder

What is the gap / opportunity …	What needs to happen next …	Role of Council
• Industry Skills Development Program: ○ The best destination marketing messages can be quickly undone if the experience does not match the promise. ○ While there is no suggestion of this being an issue currently it is important that a suitable program be developed to provide opportunities for tourism operators to develop, refine and enhance their skills and knowledge, to ensure this does not become an issue. ○ The other benefit of a program such as this is it encourages the industry to work together in a cohesive and supportive manner.	• The development and implementation of a program such as this is primarily the responsibility of Destination Southern Tasmania as the Regional Tourism Organisation. There is however a role for Council (mostly through TTIC) to play in ensuring local operators are aware of and participating in all relevant training and development programs. • Council also has a role to play in informing Destination Southern Tasmania of any skills gaps with local businesses and developing programs to suit the needs of local businesses. • Council can also play an important role in defining the local tourism industry. The tourism industry is such a diverse sector, many businesses that contribute to the local tourism offering are often not even aware that they are part of the industry, and as a flow on are not aware that they could benefit from this type of program. Council can identify who these operators are and promote these types of programs to them.	• Facilitation, Advocacy • Advocacy • Facilitation, Provider of Services
• Destination Management Plan: ○ Destination Southern Tasmania is responsible for preparing an action based Destination Management Plan that provides the framework for the ongoing successful management and development of the region as an attractive tourism destination.	• Destination Southern Tasmania as the Regional Tourism Organisation will manage this process, but Council has a role to play in supporting its development and helping to ensure the relevant stakeholders are brought to the table to ensure local needs are met. • Council also has a role to play in connecting and communicating with industry around the opportunities that are included in this plan.	• Facilitation, stakeholder • Facilitation, stakeholder

3.2 Emerging Industries

There are a number of traditional white collar industries that have driven the Hobart economy for many years, including Public Administration and Safety, Health Care and Social Assistance and Education and Training. The opportunities discussed in the table below relate to those industries that have the potential to make a positive impact on driving economic growth into the future.

In some cases the growth of these industries is not unique to Hobart and they are part of a broader national or global trend. However, it is important Hobart be prepared for and supportive of growth in these sectors to ensure areas like workforce development and the necessary infrastructure are taken into consideration and facilitated to support their growth.

Some of the emerging industries include:

- Health Care and Social Assistance
- Antarctic Sector Development
- Education and Training (particularly International Education)

As mentioned above, Health Care and Social Assistance and Education and Training have been part of the economic structure of the Hobart economy for a long time. However, they are highlighted as emerging industries because there are relatively new sectors of these industries that are emerging that have the potential to drive economic opportunities in the future.

3.2.1 Health Care and Social Assistance

Within the Health Care and Social Assistance sector Hobart has competitive advantages in a number of sub-sectors, such as Hospitals (Royal Hobart Hospital), Medical Services and Residential Care Services. To better understand what this incorporates, the services within these sub-sectors is provided below:

- Hospitals – primarily revolves around the contribution and services of the Royal Hobart Hospital
- Medical Services – includes areas such as General Practice Medical Services, Allied Health Services and Pathology and Diagnostic Imaging Services
- Residential Care Services – includes primarily Aged Care Residential Services

The Health Care and Social Assistance sector as a whole contributes approximately 12% towards the overall Hobart GRP and 16% of the local workforce.

Demand for services across the various sectors of this industry will continue to grow based on the fact that Hobart, like the rest of Australia, is experiencing an ageing of its population, likely due to families on average having fewer children, while technological advancements are allowing people to live longer.

What is the gap / opportunity …	What needs to happen next …	Role of Council
• Within this industry Hobart has a number of strengths in sub-sectors that as the population continues to age, will generate opportunities to capture and leverage the growth of these markets. • An ageing population and increased demand for services also has the potential to escalate skills shortages in this sector, which will need to be explored and addressed. • In addition to this, accommodating higher numbers of older persons will likely require increased infrastructure provision, in terms of aged care and residential care facilities.	• Dealing with some of the challenges highlighted is not traditionally the role of Council, but it will take a collaborative approach across all levels of government to turn challenges into opportunities while at the same time addressing the needs of the community. Council can play a lead role in advocating for identified priorities and coordinating the involvement of relevant stakeholders. • Council should liaise with the Tasmanian Health Service and Department of Health & Human Services to understand how these sorts of challenges and opportunities are being factored into the implementation plan associated with the One Health System White Paper.	• Advocacy, Facilitation, Provider of Services • Advocacy, Facilitation, Provider of Services

What is the gap / opportunity …	What needs to happen next …	Role of Council
	• If all stakeholders commit to participating, a regional Health Forum to discuss emerging and ongoing challenges and opportunities may be an effective way to commence the collaboration. • One of the major topics of discussion should be based around identifying suitable locations for the future expansion of this sector and ensuring these are factored into the regional planning framework. • When identifying locations for the growth of this industry the role of the Greater Hobart area needs to be considered. If the needs of this industry appear to be better serviced in other parts of the region, then Hobart City Council should work with the other Councils to facilitate this outcome rather than compete.	• Advocacy, Facilitation, Provider of Services

3.2.2 Antarctic Sector Development

It is understood that the Antarctic sector contributes over $200 million into the Hobart economy on an annual basis and provides approximately 1,100 jobs. Hobart is home to a range of internationally renowned institutions and organisations, and has the highest proportion of scientists of any capital city in Australia. As a result, this sector is putting Hobart and Tasmania on the map as a globally recognised research and science hub. In addition, this sector has the potential to become the catalyst for the attraction of a range of other support industries.

There are a number of infrastructure and relationship building opportunities that need to be pursued and/ or maintained if the optimum success is going to be achieved.

What is the gap / opportunity …	What needs to happen next …	Role of Council
• Established and new market development: ○ A long-term established relationship is in place with the French Polar Institute (IPEV), which needs to be maintained and recognised. ○ There are emerging opportunities for the Chinese to increase their level of investment and to establish a Service Hub for the Chinese Antarctic program, through organisations such as Polar Research Institute of China and the Chinese Arctic and Antarctic Administration. ○ The USA is predominantly based in Christchurch, which is Hobart's major competition to attract new investment in this area. There is the opportunity with the extension of the Hobart Airport runway to attract more business from the USA, given their focus is more around the use of aircraft in their research program. ○ Other developing markets include Japan, Korea, Italy and India.	• There are a number of key stakeholders that are proactively managing these opportunities. The primary role for Council is to support by creating a welcoming environment for future investment and development through the traditional roles that Council plays if and when required. An excellent example of this is the Annual Antarctic Season Reception hosted for expeditioners prior to their season commencing. • The status that the Lord Mayor has in various international markets, such as Asia in particular, should also be used to advantage when looking to further develop opportunities in these markets. • Council should liaise directly with key stakeholders in this industry to clearly identify additional roles that Council can play to support the development of opportunities.	• Stakeholder, Provider of Services • Advocacy • Facilitation
• Relationship development: ○ Hobart is home to a number of internationally renowned institutions and organisations that are critical to the ongoing development of this sector. It important that they are supported and retained within the City.	• It is important that open communication is maintained across the industry. There are a number of existing networks (e.g. Tasmanian Polar Network and Tasmanian Antarctic Gateway Group) and organisations that facilitate open communication that allow opportunities to be realised effectively. It is important to ensure these relationships are maintained and continue to be fostered for the ongoing development of the industry, and its ability to compete with other international gateways. • This sector and the businesses operating within it is a major strength of Hobart's and is an example of the need to share success stories. This is a great way to raise the profile of Hobart as a successful business destination where major innovation and global outcomes are being achieved.	• Advocacy, Facilitation, Stakeholder • Provider of Services
• Infrastructure: ○ The Antarctic sector as a whole will develop further and reach its potential if it has a permanent precinct, which is anticipated to be delivered through the development of Macquarie Point where a part of the site has been earmarked for Antarctic related activity. ○ The runway extension at the Hobart Airport is critical to realising the above mentioned opportunities, as are planned improvements to the port facilities.	• At an infrastructure level, the priorities are as follows: ○ Support development of the Hobart Airport runway extension. ○ Advocate for development of Antarctic facilities at Macquarie Point. As a follow on from this consider the future use of space in locations such as Battery Point, which has high job numbers in this sector.	• Advocacy, stakeholder

3.2.3 International Education

Education and Training as a whole is already a major contributor to the local economy. From an employment perspective the industry contributes 10% of local jobs, and this includes an additional 559 jobs from 2006 to 2011. However, the focus of this section centres on the growing opportunity around international education and the major role the University of Tasmania (UTAS) is playing in this area that has the potential to drive economic growth and contribute to the ongoing development of an international profile for the city.

UTAS is a major contributor to the local economy in a number of ways, they are a major employer and they have a substantial student body presence in the city and through recent and planned major infrastructure developments.

International education is a major contributor to the development of the local economy. UTAS attracts students from overseas on the strength of its reputation for research and teaching, with the courses it offers and the lifestyle that Hobart provides. There is a real opportunity for Hobart to become an activated student driven economy.

Other education providers across the City provide international education programs as well, including TasTAFE and a range of schools. However, the focus of this section is on UTAS due to its dedicated effort to build international relations and attract international students.

What is the gap / opportunity …	What needs to happen next …	Role of Council
• UTAS has plans to double their international student intake over the next decade. UTAS and Council have a strong working relationship that is recognised and facilitated through a Memorandum of Understanding. It is important that Council continues to work with the university through this relationship to assist in achieving goals to attract students. • The attraction of more students to Hobart has the potential to provide a boost to the student accommodation market and generate increased activity in relevant precincts such as the CBD. • There is a need to develop enablers that will support a growing student market. Priorities include: o Affordable housing options o Public transport accessibility o Close proximity to support industries, e.g. food, entertainment precincts, professional service providers • International students also have the potential to generate benefits for a region that are difficult to define because of their long term nature. For example, if international students leave a destination with positive experiences then the likelihood of them staying or returning to invest in the community increases. In addition to this, the friends and families of international students are an important aspect of the visitor economy in Hobart. The connection between the student and their families can also result in investment opportunities for the City.	• There is an opportunity for Council to work with UTAS to connect with international students to promote and raise awareness of the benefits of living and studying in Hobart. An example of how to promote this is through the development of a welcome pack in relevant languages for international students. A welcome pack should reinforce key messages promoted by both Council and UTAS, e.g. highlighting cleanliness and safety messages. • The establishment of an international UTAS alumni also provides scope to stay in contact with past students and where appropriate promote opportunities to them and their connections. • The market for international students is not just limited to UTAS, there is the opportunity for other education institutions to build their capability and attract international students as well. There is the opportunity for Council to help facilitate and connect the schools and other education providers (e.g TasTAFE) with the agencies that can help to build this capability. • Identify opportunities for new development and the best locations for these developments that will support the growth of the international education market. These opportunities should then be included in other priorities such as an Investment Prospectus and Citywide Planning document.	• Facilitator, Service Provider • Facilitator • Facilitator • Facilitator, Advocacy, Planning and Regulation, Provider of Services and Stakeholder

3.3 Strategic Partnerships

Collaboration around common issues and opportunities when done authentically can be a powerful tool in driving economic outcomes. There are a range of different initiatives under this theme identified below, but the essence of this opportunity is all about building greater levels of stakeholder engagement and buy in to ensure the long term success and sustainability of the initiatives delivered, which include:

- CBD Activation - particular focus on the night time economy
- Hobart Airport
- Regional Collaboration on Investment Attraction Priorities
- International Relationships

3.3.1 CBD Activation

Activation of the CBD through a range of events, activities and infrastructure development is critical for the ongoing success of the city. The Hobart CBD precinct has the potential to drive a range of different economic opportunities, but for it to realise this potential a number of supporting and enabling opportunities should be pursued.

What is the gap / opportunity ...	What needs to happen next ...	Role of Council
• The Hobart CBD currently lacks a substantial night time economy, and yet there is a range of infrastructure available to support events and activities in the area during this time. • Hobart City Council, through the Community Development Division, are currently developing and implementing a range of initiatives to activate underutilised areas of the City. The CBD is one of the areas being considered as part of this process, and it is important that as Council develops these sorts of activation initiatives that an economic perspective is also considered to ensure businesses are able to benefit. • There are certain opportunities that currently do not appear to be part of the CBD Activation program, which should be considered, including:	• Develop a Night Time Economy Strategy that clearly defines priorities and includes a clear course of action for delivery • It is important that Economic Development plays a role in these activities to ensure the needs of the business community are represented.	• Advocacy, Facilitation, Planning & Regulation, Provider of Services, Stakeholder
○ Identify and address aspects of the current planning framework required to facilitate and encourage/ and potentially incentivise infill development and the use of upper floors for residential purposes in the CBD. The promotion of inner city living will generate an increased number of people living in the City, which in turn will increase the demand for activity in the area.	• The role of Economic Development in this area is to work with the Planning area and advocate for this type of development.	• Advocacy
○ Another opportunity relates to establishing links to UTAS, with the increased presence of students in the CBD also likely to activate the area.	• Economic Development to work with UTAS to advocate for the needs of the university.	• Advocacy

3.3.2 Hobart International Airport

Hobart International Airport is the largest airport in Tasmania with over 60% of the State's travelers coming through Hobart. Hobart International Airport Pty Ltd operates the airport, which is owned by the Tasmanian Gateway Consortium, which is a joint venture between two major Australian superannuation investment companies:

- 50.1% share owned by Macquarie Global Infrastructure Fund III (GIF III)
- 49.9% share owned by Retirement Benefits Fund (RBF) Board

The ownership structure means that Hobart International Airport is owned by over 75,000 Tasmanians through RBF alone.

What is the gap / opportunity …	What needs to happen next …	Role of Council
• The Hobart International Airport Master Plan outlines plans to extend the runway by 500 metres and also upgrade the passenger terminal. • While the airport is not located in the Hobart LGA, the airport and this proposed development is critical to drive economic growth in areas like Tourism and the Antarctic sector. • The runaway extension opens up the airport to inbound and outbound flights from South East Asia. It also opens up opportunities to further grow existing strengths in the science, research and Antarctic sectors through the access that is opened up to larger aircraft. This will contribute to the generation of a critical mass of Antarctic activity to further secure Australia's and Hobart's place as the primary Antarctic service centre.	• There is a role for Council to play in actively advocating with other key stakeholders for the development of this critical infrastructure to proceed, the funding needed and the potential attraction of investment to support these priorities.	• Advocacy, Stakeholder

3.3.3 Regional Collaboration on Investment Attraction Priorities

Businesses looking to relocate or invest in a region do not recognise Local Government boundaries when it comes to making a location decision. It is therefore important that Councils work together to make the decision making process for investors and developers as easy as possible. This can be done through regional planning, collaboratively promoting investment opportunities and providing some consistency and clarity to potential investors about development priorities for the Greater Hobart region.

What is the gap / opportunity …	What needs to happen next …	Role of Council
• Given the size, proximity and reliance upon each other, it is essential Councils across the Greater Hobart area work together to identify and present regional solutions to local issues and opportunities. • If the region is to compete nationally and internationally for investors and business relocation and expansion opportunities then the region needs to work together. • The specific opportunities for investors need to be clearly articulated. Investors are ultimately not interested in buying into a vision, they need to know the specific and tangible opportunities that are available in a locality. • Council can play a major role in creating a welcoming environment for investors. In the traditional sense this relates to the planning framework. If Council has a vision for the City that is not supported by the practical implementation of the planning framework, then investors and developers will not be able to help Council achieve the vision for the City. • A collaborative approach to planning across the Greater Hobart area will generate greater clarity and certainty for investors and developers as they consider where and what to develop. The Southern Tasmania Regional Land Use Strategy outlines a vision consistent with this approach of considering planning at a regional level.	• Develop Greater Hobart Investment Prospectus that clearly identifies the economic roles of the various Councils and business precincts within these Councils. The prospectus then clearly needs to articulate the investment opportunities. • As an extension of the Investment Prospectus, more detailed business cases will be required for specific investment opportunities. • Work with key stakeholders like the Office of the Coordinator General to deliver investment attraction outcomes. • Economic Development to liaise with the Planning area to make sure that whatever is included in the Investment Prospectus can be achieved under the current Planning Framework. • Identify opportunities within the Regional Land Use Strategy that will drive a collaborative approach to planning and act as a facilitator to achieve this type of outcome.	• Facilitation, Provider of Services, Stakeholder • Facilitation, Provider of Services, Stakeholder • Advocacy • Facilitation, Planning & Regulation, Provider of Services • Facilitation, Advocacy

3.3.4 International Relations

Economies and populations in developing nations in Asia are growing rapidly. The continual growth of the middle-class across Asia is expected to present an increasing array of opportunities for Australia, specifically through increase in demand for our goods and services.

There are a number of different factors that are the key to achieving successful outcomes when building international relations, a summary of these is provided below:

- Relationships are the key to successful international relations.
- Success is also based on a long-term commitment to establishing and developing these relationships.
- Regular interaction with partners is vital.
- The City must be proactively promoted into identified target markets.
- A balance must be established between seeking economic and cultural opportunities.

The gaps and opportunities identified below also have a close connection to International Education within the Emerging Industries section of this study. As Council develops international relationships it is important that other high profile, globally recognised stakeholders are involved in the process. This should include all local business leaders that are currently actively doing business in targeted international markets.

What is the gap / opportunity …	What needs to happen next …	Role of Council
• The recent visit of the Chinese President, Xi Jinping, along with the signing of a Sister City agreement with Xi'an last year and the letter of intent signed with Fuzhou, presents significant opportunities to develop relationships in China that have the potential to generate export and investment outcomes for local businesses with the appropriate capabilities.	• The role of the Mayor is highly respected in Asian communities, so it is important that as Hobart pursues opportunities in China that the Lord Mayor take a lead role in developing these relationships and assisting in opening doors for businesses that are looking to develop opportunities in this market.	• Provider of Services, Facilitation
• Hobart City Council can play a role in ensuring local businesses with international capabilities are export and/ or investment ready through the provision of capacity building workshops.	• Council should initiate capacity building workshops designed to build the international capabilities of local businesses.	• Facilitation
• It is important the current and planned Sister City agreements have a strong focus on economic outcomes and that the relationship is viewed as mutually beneficial.	• Council to explore interest from existing Sister Cities to add an Economic Cooperation addendum to existing Agreements. In relation to new Sister City relationships still being formed, this Economic Cooperation component should be included as part of the overall Agreement.	• Facilitation, Provider of Services
• Education within this market should continue to be a priority industry. With UTAS planning to double their international student intake over the next decade, it is important that Hobart City Council, UTAS and other stakeholders work together to achieve this.		

3.4 Communication and Networking

Increasing the level of information sharing across Hobart is important to build support and buy in from the broader business community. Networking and information sharing is also a great way to generate entrepreneurial collaboration and to identify and share good news stories about exciting things happening within the business community.

<table>
<tr><th>What is the gap / opportunity …</th><th>What needs to happen next …</th><th>Role of Council</th></tr>
<tr><td>
Hobart's Innovation Events Forum:
Hobart is full of creative entrepreneurs and passionate people that want to see Hobart continue to grow and evolve as a destination, without losing the amazing things that make it a special place today.
The chance exists to provide the opportunity for these people to come together and hear about exciting things that are happening in the City, and furthermore facilitate networking, collaboration and the development of new skills.
These sorts of events would also provide a forum for Council to present on major initiatives happening across the City. There are a number of exciting projects currently planned for Hobart that the community should be made aware of to build support, understanding and pride in the direction the City is going. These sorts of events are an excellent opportunity to involve key stakeholders in the process who in turn become ambassadors for positive change.
The events would present the opportunity for greater networking and collaboration across diverse sectors of the local business community, e.g. scientists engaging with professional services, retailers engaging with government professionals.
</td><td>
Council would take the lead role in developing an event program and then organising and hosting these events.
These events are more than just the standard networking event, they are a place for innovation, collaboration and information sharing to be facilitated – Hobart's Innovation Events Forum.
Part of this event program could also include a business capacity building program aimed at building the skills of local businesses in identified growth sectors.
The role of the digital economy, and the need for businesses across all industry sectors to evolve and take advantage of opportunities associated with the digital economy is important and therefore should be a major focus of these types of capacity building programs/
</td><td>
Facilitator, Provider of Services
Facilitator, Provider of Services
</td></tr>
<tr><td>
Communications Action Plan:
There are many good news and business success stories around the Greater Hobart area. This presents an opportunity to develop and implement a communications plan around sharing these stories (to beneficially affect consumer and business confidence).
Sharing this information appropriately will have a positive effect on city pride. It will build people's confidence, which in turn will have a positive flow on effect into the investment attraction and business development area as well.
</td><td>
Council to develop a Communications Action Plan to identify and regularly share business success stories with the local community as well as targeted external media, including newspaper, television, radio and any relevant online forums.
</td><td>
Provider of Services
</td></tr>
</table>

What is the gap / opportunity …	What needs to happen next …	Role of Council
• Business Engagement Plan: ○ 7.1% (or a total of 421) of businesses have a turnover of $2 million or more. It is important to get an understanding of who these businesses are and what the influencing factors are that have the potential to cause positive or negative change to their business. ○ Conversely, 26.5% (1,572) of businesses have a turnover between zero to $50,000. So while it is important to understand and work with the bigger businesses in town, it is equally important to identify opportunities to support these smaller businesses particularly when the percentage of businesses in this range is so high. ○ 58.6% of businesses in the Hobart LGA are sole operators (i.e. non-employing). It would provide a valuable insight into the confidence of the local business community if it were known what intention these businesses have regarding the future employment of additional staff (e.g. over the next 5 years) and then monitor this. This type of Business Confidence survey can be used to guide workforce development priorities as well. ○ The size and turnover of businesses is just part of the puzzle when it comes to understanding the drivers of growth for businesses. Relationship building and the ongoing management of these contacts is critically important to understand the drivers of growth and then to develop programs that will help to facilitate outcomes.	• Council to develop a plan to actively identify who these businesses are and how best to engage with them. • Consider developing some sort of Customer Relationship Management system to monitor communication and relationships with these businesses. • Explore the opportunity to conduct a survey of the local business community to get a more detailed picture on the current state of business within the City, including what drives business growth, are there any common issues and opportunities, and what role Council can play to address. • This survey would then be followed up with an event to analyse and discuss the results of the survey. • A survey such as this would also provide critical information that could help guide the development of a business capacity building program.	• Provider of Services • Provider of Services • Provider of Services • Provider of Services

4. Priorities

Flowing from the identified opportunities (or gaps) for growth are a series of currently pressing needs for Hobart City Council and other key stakeholders across the Greater Hobart area to progress, develop and implement to support and facilitate the ongoing development of the local economy.

The most pressing and important areas for Council to address the needs and requirements of short to medium term economic development include (in no priority order):

- **Short Term Accommodation Market Needs Analysis**

  Outcome – clearer understanding of actual market demand for short term accommodation that can better inform planning and future investor enquiries.

- **Night Time Economy Strategy**

  Outcome – increased levels of night time activity in the CBD for residents and visitors, as well as increased opportunities for business, which will in turn boost business confidence.

- **Greater Hobart Investment Prospectus**

  Clear and specific information about investment opportunities across the Greater Hobart area.

- **International Capacity Building Program**

  Outcome – build the capability of local businesses either currently involved in or looking to develop new opportunities in international markets, so that more local businesses are investment and export ready and can take advantage of the relationships that are currently being developed.

- **International Economic Cooperation Agreements/ Addendums**

  Outcome – ensure that there is a focus on generating economic outcomes from Sister City relationships.

- **Hobart's Innovation Events Forum**

  Outcome – increased networking, capacity building and information sharing, which will result in increased entrepreneurial activity, pride and business confidence.

- **Communications Action Plan**

  Outcome – increased networking, capacity building, information sharing and celebration of local business success stories, which will result in increased pride and business confidence.

- **Business Engagement Plan**

  Outcome – increased knowledge of the business community and what factors will influence the growth of their businesses. This in turn provides a platform to develop initiatives that will build the capacity of local businesses.

Appendix A: Role of Council

The role of Council in the area of economic development is sometimes difficult to define and will vary depending on the needs of the community and the opportunities to drive economic growth. The role of Council will always fall into one of the following categories.

- Advocacy:
    - Council to act as a leader that engages with the community and other levels of government to develop commitment, energy and attitude towards economic development outcomes. Actions undertaken by Council should be based on and informed by the community's desired outcomes.
    - Lobbying for specific action, resources or change at a higher level can provide new opportunities for local communities to utilise their resources and capability.
- Facilitation:
    - Depending on the circumstances Council may pursue a range of individual or joint venture commercial activities such as land development that may serve as a catalyst to further economic development outcomes.
    - Council can act as the information link between government, business and consumers, as this information is vital in generating local awareness and demand for products and services available.
    - Council can use its resources to promote local events and activities that support business capacity building and other economic development related initiatives.
- Planning and Regulation:
    - Council's planning framework and regulatory environment provides a mechanism to regulate and/or encourage certain activities in the community, and influence economic activity.
    - The linking of economic development initiatives and outcomes through Council's key strategic and operational plans will help to ensure appropriate focus is maintained on priority areas.
- Provider of Services:
    - Service provisions and access is one of the major functions of Local Government. A consistent and reliable supply of services and information can support economic development related opportunities.
- Stakeholder:
    - There are many economic development related initiatives that are developed and implemented across the community that Council does not 'own' or is not viewed as the service provider for, but still remains a critical contributor to the successful implementation of the desired outcome.

Ultimately Council needs to have a clear understanding of the role it will play in all economic gaps and opportunities identified below and how they will drive, facilitate, encourage or communicate the desired outcomes.

AECgroup
Outcome Driven

Brisbane	Level 5, 131 Leichhardt Street Spring Hill QLD 4000	PO Box 942 Spring Hill QLD 4004	T +61 7 3831 0577
Darwin	Level 1, Paspalis Centrepoint Building 48-50 Smith Street Mall Darwin NT 0800	PO Box 942 Spring Hill QLD 4004	T +61 8 8943 0600
Melbourne	Level 13, 200 Queen Street Melbourne VIC 3000	PO Box 942 Spring Hill QLD 4004	T +61 3 8648 6586
Perth	Level 2, 580 Hay Street Perth WA 6000 Australia	PO Box 942 Spring Hill QLD 4004	T +61 8 6555 4940
Sydney	Level 3, 507 Kent Street Sydney NSW 2000	PO Box 942 Spring Hill QLD 4004	T +61 2 9283 8400
Townsville	233 Flinders Street East Townsville QLD 4810	PO Box 5804 Townsville QLD 4810	T +61 7 4771 5550
Bangkok	Level 11 Glas Haus Building 1 Soi Sukhumvit 25, Sukhumvit Road Wattana, Bangkok 10110 Thailand		T +66 2 402 8400
Shanghai	46F Hongkong New World Tower, 300 Huahai Road Central 200021 China		T +8621 6135 2310

www.aecgroupltd.com

9. ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE – STATUS REPORT

8x's

A report indicating the status of current decisions is attached for the information of Aldermen.

DELEGATION: Committee

Recommendation:

That the information be received and noted.

ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE - STATUS REPORT

OPEN PORTION OF THE MEETING

November 2014 to March 2016

Ref.	Title	Report / Action	Action Officer	Comments
1	**FUNKY SHOPPING TROLLEY HIRE PROGRAM** Council, 10/3/2015, Item 11	That a report be prepared on the feasibility of the Council initiating a 'funky' shopping trolley hire program, potentially to operate from the Council's off-street car parks.	Philip Holliday Director Community Development	A report will be provided to the Council in the latter half of the year.
2	**PROPOSED MoU WITH THE UNIVERSITY OF TASMANIA** Council, 15/12/2014, Item 38	That the General Manager be authorised to draft a new MoU between the City of Hobart and University of Tasmania with the draft to be submitted to the Council for final approval.	Nick Heath General Manager	The MOU was endorsed by the Council at its meeting held on 7 September 2015. The MOU was signed by the Lord Mayor and Vice Chancellor on 9 October 2015. Discussions concerning the implementation have commenced. The Council will be provided with regular updates. The action is now complete.
3	**CHRISTMAS DECORATIONS - MULTI-YEAR PLAN** Council, 13/4/2015, Item 21	That the Council confirm its interest in the development of new lighting effects and subject to the Council's determination, Council officers provide a further report detailing the opportunities available.	Philip Holliday Director Community Development	The Finance Committee at its 16 February 2016 meeting recommended that the Hobart Town Hall façade lighting concept be considered for inclusion in the 2016/2017 Major Project Program. This was approved by the Council at its meeting held on 22 February 2016. The action is now complete.

Ref.	Title	Report / Action	Action Officer	Comments
4	**CONTEMPORARY WAYFINDING SYSTEM AND CREATIVE HOBART POSTER POLES (ICAP 10) - PROJECT IMPLEMENTATION** Council, 13/4/2015, Item 22	That: 1. The introduction of a contemporary wayfinding system be endorsed. 2. The introduction of five Creative Hobart Poster Poles be endorsed.	Neil Noye Director City Planning	Wayfinding signage instillation completed. Wayfinding language applications currently being developed. The first of the poster poles has been installed in Collins Court with the remainder to be installed shortly.
5	**CENTENARY OF ANZAC COMMEMORATIONS** Council, 13/7/2015, Item 16	That: 1. In light of the Tasmanian Theatre Company being successful in obtaining a $50,000 grant from the ANZAC Centenary Trust, the Council partner with the Tasmanian Theatre Company to deliver the performance season of The Tree Widows on the Queen's Domain in April 2016, at both the Soldier's Memorial Avenue and the Tasmanian Powder Magazine. 2. Council officers seek additional funding support from other sources such as the Friends of the Soldier's Memorial Avenue and the RSL Tasmania.	Philip Holliday Director Community Development	A grant deed will now be developed with the Tasmanian Theatre Company and once signed the grant will be paid. In relation to item 3 a further report will be provided to the Committee in the latter half of the year.

Ref.	Title	Report / Action	Action Officer	Comments
6	**BUSINESS EVENTS TASMANIA – ANNUAL FUNDING SUBMISSION 2015/2016** Council, 9/6/2015, Item 15	That the Council maintain funding plus an allowance for CPI at $93,300 and should BET obtain funding from other sources to carry out a feasibility study for the development of a convention centre at Macquarie Point, the Council contribute the amount of $6,700 to the study.	Tim Short Group Manager Economic Development	In accordance with the Council Decision BET has received annual funding in the order of $93,300 as of 1 July 2015. The remaining $6,700 will be paid upon confirmation from BET that they are proceeding with a study regarding a convention centre at Macquarie Point. BET has confirmed that it is proceeding with the Convention Centre Study. A report summarising the findings will be submitted in due course. Mr Stuart Nettlefold from BET will provide a verbal update to the Committee at this meeting.
7	**DARK MOFO – LIGHTING UP COUNCIL FACILITIES** Council, 9/6/2015, Item 17	That: 1. The Council approach the organisers of Dark Mofo to consider including kunanyi/Mount Wellington in the planning for lighting installations for Dark Mofo in 2016 or beyond. 2. The Council approach the Tasmanian Government to request that the Department of State Growth give consideration to lighting the Tasman Bridge red as part of Dark Mofo in 2016. 3. A further report be provided exploring the application of more colour capable lighting infrastructure for Salamanca Place and for the cardinal lights in Mawson's Place in time for Dark Mofo in 2016.	Philip Holliday Director Community Development	Actions associated with items 1 and 3 are now complete. Clause 2 id being progressed. A lighting design consultant has been appointed and will prepare a lighting master plan for the waterfront area (including Salamanca Place and Mawson Place). The impetus for the master plan was to provide an inventory and analysis of the current lighting situation, a proposed concept for the whole area and some recommendations for individual areas.

Ref.	Title	Report / Action	Action Officer	Comments
8	**GARAGE SALE TRAIL – COUNCIL PARTICIPATION – 2015-2017** Council, 9/6/2015, Item 18	That the City of Hobart participate in the Garage Sale Trail event for a three year term, with the first event to be held on 24 October 2015.	Philip Holliday Director Community Development	This event was successfully delivered in 2015. Preparations are underway for the 2016 event.
9	**CITY OF HOBART BRAND PROJECT – NEW CORPORATE LOGO** Council, 9/6/2015, ITEM 19	That Stage 2 of the City of Hobart brand project, i.e the development of a style guide and associated graphic design files for the new City of Hobart corporate logo, commence in accordance with the Council's resolution of 11 August 2014.	Philip Holliday Director Community Development	Stage 2 of the rollout is continuing.
10	**ECONOMIC DEVELOPMENT STRATEGY – MID-TERM REVIEW** Council, 13/7/2015, Item 19	That the Council agree to a mid-term review of the current Economic Development Strategy following the completion of a 'gaps and opportunities' report.	Tim Short Group Manager Economic Development	A report appears on the agenda for this Committee meeting.
11	**2016 LUNAR NEW YEAR CELEBRATIONS – HOBART** Council, 7/9/2015 Item 16	That the Council agree to auspicing a working group to be chaired by Alderman Thomas, to work closely with community groups that organise events and activities for the 2016 Lunar New Year.	Tim Short Group Manager Economic Development	Lunar New Year celebrations were held and officers are in the process of arranging a post event debrief with stakeholders.

Ref.	Title	Report / Action	Action Officer	Comments
12	**WI-FI PROPOSAL FOR INNER CITY – UPDATE** Council, 7/9/2015 Item 17	That: 1. The Council endorse an Expression of Interest process for the provision of 'free to the public Wi-Fi' in the inner city. 2. A further report be provided to the Council after the results of the expression of interest process have been assessed.	Tim Short Group Manager Economic Development	A process to test private sector interest in the provision of Wi-Fi is currently underway. A report will be provided to the Council in the latter half of the year.
13	**COMPETITIONS TO MARKET THE CITY AND OTHER RETAIL PRECINCTS** Committee, 24/9/2015 Item 5	That the proposals from the findings of the Local Retail Precincts Plan for marketing and promotional opportunities for businesses in the suburban retail precincts be the subject of a report to the Council in the new calendar year.	Philip Holliday Director Community Development	A report will be provided to the June Committee meeting.
14	**LITTLE ATHLETICS TASMANIA – REQUEST FOR FINANCIAL ASSISTANCE** Council, 7/3/2016 Item 16	That the Council provide financial assistance of $3,000 (exclusive of GST) as part of the City of Hobart's city marketing and promotions strategy regarding international relationships, to be funded from the City Marketing Function of the 2015/2016 Annual Plan.	Philip Holliday Director Community Development	The matter has been actioned. The action is now complete.

Ref.	Title	Report / Action	Action Officer	Comments
15	**REQUEST FOR ASSISTANCE - PRESENTATION BOOK ABOUT TASMANIA AND FUJIAN PROVINCE (PEOPLE'S REPUBLIC OF CHINA)** Council, 7/3/2016 Item 17	That the Council decline to financially contribute to the publication and wish the proponent well with the endeavour.	Tim Short Group Manager Economic Development	The action is now complete.
16	**LIGHTING UP COUNCIL FACILITIES - NATIONAL ROAD SAFETY WEEK 2016** Council, 7/3/2016 Item 18	That: 1. The Council approve the request of the Road Safety Advisory Council to illuminate the Hobart Town Hall yellow, at its expense, to coincide with National Road Safety Week 2016 from 1 to 8 May 2016. 2. The Council further demonstrate its support of the National Road Safety Week 2016 by illuminating the Elizabeth Mall and the Railway Roundabout Fountain yellow, with the fee of $100 to be funded from the City Marketing Function in the 2015/2016 Annual Plan.	Philip Holliday Director Community Development	The matter is being progressed.

Ref.	Title	Report / Action	Action Officer	Comments
17	**HOBART EXCEPTIONAL CUSTOMER SERVICE AWARDS** Council, 7/3/2016 Item 19	That: 1. The City of Hobart Exceptional Customer Service Awards, in their current format, be deferred for 2016: (i) The Council continue its dialogue with the Hobart Chamber of Commerce in regard to the Chamber's 2016 business awards program, to ensure a customer service component of the program is delivered in 2016; (ii) A further report be provided to the next Economic Development and Communications Committee meeting regarding the continued discussions with the Hobart Chamber of Commerce about the 2016 awards program, and the outcome of such discussions. 2. The Council endorse the development of a proposal for a general business grants program, to be the subject of a further report to the Council in 2016, including an overall approach to business assistance.	Philip Holliday Director Community Development	Communications with the Chamber of Commerce are underway and a report is being prepared for June 2016.

Ref.	Title	Report / Action	Action Officer	Comments
18	**INTERNATIONAL RELATIONS STRATEGY** Council, 7/3/2016 Item 20	That: 1. The Council endorse a delegation led by the Lord Mayor to China in April 2016 with the primary purpose of signing the formal friendship agreement with Fuzhou. 2. The delegation comprise the Lord Mayor, Aldermen M Zucco, J R Briscoe and D C Thomas. (i) Given the significance of the visit, the General Manager and another Council officer attend. (ii) The Council agree to meet the cost of a qualified interpreter to accompany the delegation. 3. The delegation visit the cities of Fuzhou, Xi'an and Shanghai. 4. The details of the visit be finalised by the General Manager. 5. It be noted that Alderman Zucco will join the delegation from Asia. 6. The International Relations Strategy be revised to better reflect the increased resources required for City of Hobart delegations. 7. The process for reporting such travel be reviewed to reflect the City of Melbourne model.	Tim Short Group Manager Economic Development	Arrangements are now being made for the delegation visit to China. The reporting of Aldermanic expenses on the City of Melbourne's website is being reviewed.

10. QUESTIONS WITHOUT NOTICE – FILE REF: 13-1-10

Pursuant to Section 29 of the Local Government (Meeting Procedures) Regulations 2015, an Alderman may ask a question without notice of the Chairman, another Alderman or the General Manager or the General Manager's representative in accordance with the following procedures endorsed by the Council on 10 December 2012:

1. The chairman will refuse to accept a question without notice if it does not relate to the Terms of Reference of the Council committee at which it is asked.

2. In putting a question without notice, an Alderman must not:

   (i) offer an argument or opinion; or

   (ii) draw any inferences or make any imputations – except so far as may be necessary to explain the question.

3. The chairman must not permit any debate of a question without notice or its answer.

4. The chairman, Aldermen, General Manager or General Manager's representative who is asked a question without notice may decline to answer the question, if in the opinion of the intended respondent it is considered inappropriate due to its being unclear, insulting or improper.

5. The chairman may require an Alderman to put a question without notice, to be put in writing.

6. Where a question without notice is asked at a meeting, both the question and the response will be recorded in the minutes of the meeting.

7. Where a response is not able to be provided at the meeting in relation to a question without notice, the question will be taken on notice and

   (i) the minutes of the meeting at which the question is put will record the question and the fact that it has been taken on notice.

   (ii) a written response will be provided to all Aldermen, at the appropriate time.

   (iii) upon the answer to the question being circulated to Aldermen, both the Question and the Answer will be listed on the agenda for the next available ordinary meeting of the committee at which it was asked, whereat it be listed for noting purposes only, with no debate or further questions permitted, as prescribed in Section 29(3) of the Local Government (Meeting Procedures) Regulations 2015.

11. CLOSED PORTION OF THE ECONOMIC DEVELOPMENT AND COMMUNICATIONS COMMITTEE MEETING

The following items were discussed:-

Item No. 1.	Minutes of the Closed Portion of the Economic Development and Communications Committee Meeting held on 25 February 2016
Item No. 2	Consideration of Supplementary Items to the Agenda
Item No. 3.	Indications of Pecuniary and Conflicts of Interest
Item No. 4.	Questions Without Notice – File Ref: 13-1-10