Shaping the Future of South Australia
A summary of the Top 10 identified actions
11 August 2014
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The Foundation Partners of the Shaping the Future of South Australia Program (the Program) are pleased to provide this summary of the report.

The Program is in response to people’s desire to contribute to the transformation of the economy. With low economic growth rates and high unemployment, plus further expected pressure on the traditional manufacturing sector, there is an urgent need for action. The objective of the Program is focussed on practical, action oriented outcomes that will add to the economic vibrancy of the State.

The response by participants from business, community, academia and Government was overwhelmingly positive. The broader community wants to work with Government to better inform decision making and be part of the solution.

This summary includes:

• Top ten identified actions; and
• Program background.

The Program is designed to deliver actions that can, with appropriate political support and energy, be quickly implemented broadly within the existing resource base. There are many more longer term actions that need to be considered that were outside the scope of this purposely limited report.
Summary

The Program was delivered by 23 theme leaders drawn from a national pool of expertise, who provided their support in a voluntary capacity. The Program engaged more than 2,500 people. The Program themes included:

- Access to funding;
- Regulation;
- Trade;
- Infrastructure;
- Migration and Skills;
- Innovation; and
- Leadership.

Throughout the Program’s workshops, live forums and online survey responses, there were a number of permeating messages such as:

- The need for focused leadership and connectivity among Government, business, academia and the community;
- The significant cost to productivity caused by unnecessary regulation and ineffective use of existing infrastructure; and
- The lack of ready access to capital to fund growing successful businesses.

The Shaping the Future of South Australia community expects a process that engages them as the report is considered and actions taken. Accordingly, we recommend that Government report back to the Foundation Partners and the broader community on the actions they take in relation to the report.

The process showed all participants want to be engaged and are prepared to participate in transforming the economy to meet future challenges and opportunities. It is vital that as the economic transformation plan evolves, that a process is put in place to facilitate that active engagement.
Background

The ‘Shaping the Future of South Australia’ program was undertaken in the following program of work.
Summary of Top 10 Identified Actions

Top Ten identified actions

01 Create a vision for South Australia
02 Improve South Australia’s inbound and outbound trade
03 Reduce the burden of regulation to drive economic growth
04 Unlock funding to grow South Australian businesses
05 Strengthen linkages between businesses, universities, research institutions and Government to drive innovation
06 Create roundtables for South Australia’s strategic growth industries
07 Skill our business leaders to grow globally competitive businesses
08 Commercialise more intellectual property
09 Maximise the effective use of South Australia’s existing infrastructure
10 Increase skilled and business migration to South Australia

Click for further detail of each of the Top 10 actions
Shaping the Future of South Australia

Detailed Top 10 Actions
Detailed Top 10 Actions

01 Create a vision for South Australia

Create a long term vision for South Australia which reflects the values of boldness, caring, positivity, honesty and passion.

Actions

1. Develop a clear, concise and meaningful vision for South Australia that can be understood, believed and followed. The vision should also reflect the values of boldness, caring, positivity, honesty and passion. Examples of visions identified are ‘A gateway to opportunity, a place where business and people thrive,’ and ‘The State of opportunity, where people and business thrive.’

   State Government

2. Create, monitor and publish regular ‘dashboard reporting’ to communicate and hold South Australia’s leadership accountable. The dashboard should be easy to understand, readily accessible by the South Australian community and led by the Economic Development Board (or other independent entity).

   State Government

3. Develop a media strategy targeted at communicating the success stories of South Australian businesses and people. The strategy should be Government backed and supported by a single responsible organisation to ensure consistency and independence in communication. In addition, the media strategy should also promote:
   - The entrepreneurship ecosystem to foster innovation in South Australia; and
   - South Australia’s reputation as a great place to live and work and a ‘place to come home to’.

   State Government

Actions were flagged as priority actions based on two factors:
- their ranking as determined by the Action Planning workshop; and
- a Foundation Partner roundtable workshop, where Foundation Partners achieved consensus on which actions were most critical.
### Improve South Australia’s inbound and outbound trade

Review, develop and/or expand programs and processes to grow and improve South Australia’s two-way trade performance and global competitiveness.

<table>
<thead>
<tr>
<th>Actions</th>
<th>Who</th>
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<tbody>
<tr>
<td>Improve connections with Brand Australia to effectively promote South Australia rather than compete with the other States. Consideration is required for the occasions that warrant using a regional, or industry specific focus.</td>
<td>State Government Industry</td>
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<tr>
<td>Develop a single point of contact for South Australia business across the State Government to improve two-way trade performance. Where this is not possible, there should be increased collaboration between South Australia Government agencies that have responsibilities for key export sectors.</td>
<td>State Government</td>
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<tr>
<td>Increase the number of inbound trade missions to South Australia to bring the markets to South Australia. This can demonstrate the benefits of South Australia for key agents, buyers, clients and investors.</td>
<td>State Government Industry</td>
</tr>
<tr>
<td>South Australia requires a solid Government commitment to a long term plan (e.g. 10 years) and engagement strategies for improving trade in South Australia.</td>
<td>State Government</td>
</tr>
<tr>
<td>Create a peer panel, or other mechanism to provide feedback to businesses who are about to pitch to foreign buyers or investors. Better inform business on the advantages of trade (import and export). Undertake this through the ‘connector’ model - see Action 5.</td>
<td>Industry</td>
</tr>
</tbody>
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Key: 🚩 Priority Action
03 Reduce the burden of regulation to drive economic growth

Shift regulation to become outcomes focused to reduce the burden of regulation and to:

- assist and attract businesses to grow in South Australia;
- improve their global competitiveness; and
- incentivise innovation and high performance.

**Actions**

- **Establish industry and Government round tables to thoroughly review all existing and proposed regulation that affects a specific industry.** The review should ensure regulation is up to date, meets its stated aims, does not have unintended consequences and is not overly burdensome. The roundtables should report to an entity such as the Economic Development Board to drive change.

- **Require mandatory consultation and collaboration with South Australian businesses when drafting of new regulation and amendment to existing regulation.** This can help ensure that the legislation is clear, outcome-focused and meets the needs of business.

- **Reform legislation and regulation across all Government and Non-government agencies for targeted South Australian industries.** Picking an industry at a time, build end to end regulation maps to help to identify the key issues of a specific industry and focus reform around those issues. For example, refer to the recent industry review of the South Australian tuna industry.

- **New and amended legislation should be less prescriptive legislation, more outcome focussed and easy to understand to improve compliance and allow businesses to be more innovative in response to the regulation and keep pace with technological changes.**

- **Have a specific requirement for eliminating regulations such as a ‘one in, one out’ rule.**
04 Unlock funding to grow South Australian businesses

Develop and implement alternative and innovative funding programs to provide qualified South Australian based businesses with timely access to capital to accelerate business growth.

**Actions**

1. Establish a taskforce represented by the Government, the banks, private financiers and businesses to develop and implement an alternative financing program (e.g. partial guarantee scheme). Refer to the detailed analysis included in the Access to Funding workshop in this report.

2. Explore options to access superannuation funds to ‘unlock the funding’ for South Australian businesses, such as private equity funds or Government backed infrastructure assets.

3. Explore various alternative schemes for increasing investment in early stage ventures in South Australia (including crowd funding, tax incentives and the reach of existing Government and Non-Government programs).

4. Undertake a ‘stock-take’ of seed funds and venture capital funds with investment mandates in South Australia. Detail how we unlock, aggregate or form alliances to scale investment programs for South Australian businesses.

**Key:** ⚫ Priority Action
Strengthen linkages between businesses, universities, research institutions and Government to drive innovation

Drive linkages and incentivise collaboration between businesses, universities and Government to assist South Australian businesses to innovate, grow and become globally competitive.

**Actions**

Establish a ‘connector’ to support South Australia businesses and to strengthen collaboration between industry, universities, research institutions and Government. This connector could provide:

- Expertise (training, education and referral to professional advice, access to new and existing programs);
- Connections (mentoring, networks, clustering, access to ‘angels without capital’, business helping business);
- Funding (access to new and existing government and private funding programs, referrals to financiers).

Refer to successful connector programs such as Icehouse (NZ) and Sourcelink (US).

Map the research capabilities of South Australian universities and research institutions to assist businesses to identify opportunities to collaborate and drive innovation.

Universities to review and improve their online presence to ensure that their websites are ‘business friendly’ and suitable for South Australian businesses to easily identify university research capabilities, expertise and knowledge.
**05 Strengthen linkages between businesses, universities, research institutions and Government to drive innovation**

Drive linkages and incentivise collaboration between businesses, universities and Government to assist South Australian businesses to innovate, grow and become globally competitive.

**Actions**

- Develop a practical South Australian business/international student intern program to develop 'work ready' graduates, and increase the exposure of international students to South Australian businesses, provide businesses with a broader understanding of other cultures and global markets and increase graduate employment prospects.

- Implement a Government industry procurement program (e.g. the Small Business Innovation Research Program). This can help drive innovation, develop the capabilities and skills of South Australians and support South Australian businesses.

- Review the effectiveness of the current innovation voucher program, consider other successful linkage programs and update the South Australian innovation voucher program based on the findings.

- Develop a program to identify PhD students willing to partner with industry to undertake practical research that delivers meaningful outcomes for industry. This can increase collaboration, reduce the cost of research and delivery timeframes and provide research programs for PhD students.

**Priority Action**

- Action 5

**Key:** 🔄 Priority Action
Detailed Top 10 Actions

06 Create roundtables for South Australia’s strategic growth industries

Establish joint roundtables for South Australian strategic growth industries to develop and communicate roadmaps setting out the strengths, challenges, opportunities and actions between industry participants and Government (learning from the Unconventional Gas Roundtable).

**Actions**

- Establish joint roundtables for South Australian strategic growth industries to develop and communicate roadmaps setting out the strengths, challenges, opportunities and actions between industry participants and Government. Importantly, leverage the learnings and approach of the Unconventional Gas Roundtable and extend this approach to South Australia’s strategic growth industries (for example Iron Ore infrastructure).

**Who**

State Government

Industry

Key: 🔴 Priority Action
07 Skill our business leaders to grow globally competitive businesses

Develop the skills and capabilities of South Australian business leaders in innovation, collaboration, leadership and strategy to assist them to build and grow globally competitive businesses.

**Actions**

Develop the leadership, strategy and management capabilities of the leaders of South Australian SMEs through:

- Training;
- Professional development; and
- Access to mentoring programs (for example, access to ‘angels without capital’)

South Australian business leaders must:

- Drive innovation within their own organisations (going beyond research and industry collaboration);
- Have an unrelenting customer focus on becoming globally competitive and how South Australian products and services fit with international export markets; and
- Recruit talent and advisors with global capabilities and experience entering new markets.

Key: 1 Priority Action
**08 Commercialise more intellectual property**

Develop broader industry/university/research institution partnering programs to commercialise intellectual property.

**Actions**

Develop additional industry partnering programs such as NanoConnect, Medical Device Partnering Program and the Photonics Catalyst Program. In establishing the programs they should:

- Consider the depth of expertise within the universities;
- Develop programs with a long term view;
- Identify opportunities (with industry input) and issue transparent calls for appropriate expressions of interest,
- Make the program KPIs strongly linked to commercial outcomes and evaluation by business.

Develop a ‘single commercialisation entity’ across universities to assist South Australian universities/research organisations to help commercialise intellectual property, taking advantage of scale and opportunities.

Universities develop an ‘easy IP’ regime in which IP is licensed to SA companies with only two conditions: i) they use it and ii) they support South Australian universities by contracting the skills they need from SA universities first.

Develop industry specific hubs/precincts to increase collaboration and create meaningful outcomes for South Australia. E.g. accelerate Tonsley as an ‘innovative district’ to link the community, education and business.

**Key:** ⚡ Priority Action
Maximise the effective use of South Australia’s existing infrastructure

Maximise the effective use of South Australia’s existing infrastructure to improve productivity without significant capital investment.

Actions

1. Explore options to upgrade the key rail links of Adelaide to Melbourne and/or Adelaide-Darwin including funding opportunities to modify rail infrastructure, such as intermodal terminals, to maximise productivity of rail networks.

2. Explore options to reduce traffic congestion including:
   - Clearway hours on key arterial roads, such as between 7-9am and 4-6pm, or all day in some cases. Clearways can achieve efficiencies and productivity improvements at little financial cost.
   - Extend Richmond Road to cater for 100% taxi traffic.
   - Review Bus Lane strategies to allow for vehicle use during non peak hour traffic or allow ‘trade’ and ‘business vehicles’ 100% access.

3. Provide some flexibility in the operation of the airport curfew will allow some airlines (international operators in particular), to strengthen their business case for additional services to and from Adelaide. Domestic operators could schedule services right up to the current curfew hours with some flexibility to arrive late if for reasonable operational reasons there are significant and unforeseen network delays.

4. Explore the opportunity to use heavy vehicle tolls on major projects such as the North South Corridor and Sturt Highway upgrade to pull the project forward.
Detailed Top 10 Actions

10 Increase skilled and business migration to South Australia

Increase skilled and business migration to South Australia to improve economic growth and develop the skills and capabilities of South Australian businesses.

**Actions**

1. **Improve the competitiveness of South Australia’s student and business migration visa programs to allow graduating migrant students and high net worth individuals to come to, and remain in South Australia. This will help to keep economic contribution and skills in South Australia.**
   - **Who:** State Government, Industry

2. **Undertake a technical and professional skills gap analysis for core South Australia growth sectors to identify the skills that the growth sectors require in South Australia.**
   - **Who:** State Government, Industry

3. **Develop a strategy to increase the migration of international students and skilled migrants with suitable skills and experience for South Australia. This can help improve diversity and collaboration within South Australian businesses and organisations.**
   - **Who:** State Government, Industry, Universities

**Key:** 1 Priority Action
Acknowledgement and thanks to the following...

The Economic Development Board

His Excellency Rear Admiral Kevin Scarce AC CSC RANR

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Foundation Partners
* BankSA
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* Flinders University
* Department of State Development (formerly DMITRE)
* KPMG

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