

EMBARGOED 5AM THURSDAY, 2 MARCH 2023

MELBOURNE RIVALS GLOBAL CITIES BUT TEAM WORK REQUIRED TO KEEP STATUS

- **The latest global benchmarking report shows Melbourne continues to be a leader** among 20 of its peer cities, including London, San Francisco, Sydney and Singapore.
- Despite a gloomy global outlook, **Melbourne remains stable and resilient.**
- **Melbourne now ranks 2nd for inclusivity and wellbeing measures**, among its peers and is in the top 10% globally.
- **Global perceptions are uneven:** Melbourne's credentials among visitors remain formidable: less so for residents or among other international markets and customers.
- **The heads of more than 90 leading business and community organisations are meeting today** to discuss Melbourne's future and how to motivate residents to embrace the city's offerings at The Melbourne Summit.

The latest *Benchmarking Melbourne 2023* report, released today, comprehensively unpacks how Melbourne stacks up compared to a strong peer group of 20 international cities over the past year.

Committee for Melbourne CEO, Mark Melvin said through reviewing more than 100 global city benchmarking studies, Melbourne continues to rival its peer cities and remains resilient in the face of global uncertainty.

"The report proves Melbourne has so much to offer including a fantastic visitor experience, an open and inclusive educational offering, a highly talented workforce, and an entrepreneurial spirit. This includes Melbourne ranking in the top 10 in the following categories:

- **2nd in inclusivity and wellbeing:** a sense of belonging, tolerance, good services, and the strength of the social contract between different groups.
- **4th in experience economy:** meeting the demands for high quality experiences that cater to everyone.
- **8th in image and influence:** the visibility, reputation and credibility of the city.
- **9th in skills and talent:** the pipeline and production of advanced knowledge across a full spectrum of sectors.

Mr Melvin said while there is much to celebrate about the strengths of Melbourne, questions must be asked about its long-term growth model.

"This independent research also tells us we must do more in terms of greater collaboration and clarity of Melbourne's message to sell these offerings to ourselves and the world," he said.

"As Melbourne's population is set to reach 6 million and become Australia's largest city by 2031, we have an opportunity to ensure we want to be a city that delivers for all Melburnians, no matter your postcode.

"Over the last 20 years, Melbourne's success has relied on consistent population growth, expanding suburbs and the gravitational pull of a successful CBD. This has resulted in an unequal distribution of green spaces, access to public transport and walkable restaurants and amenities."

Mr Melvin said because of this, it is no surprise there is a disparity between people's experience of Melbourne.

"Interestingly, perceptions of Melbourne locally and globally are not in balance," Mr Melvin said.

"Visitors, students and many residents tend to love the experience on offer, but the whole metropolis is not as positively perceived as a place to live permanently, innovate or invest. We need an organising and unifying story for Greater Melbourne and its future.

"As residents grapple with a housing market that is the 5th most unaffordable in the English-speaking world, and the 2nd longest average public transport commute time among 15 peer cities, then the fantastic offerings that are available may not be as easily in reach for all Melburnians.

"We need to explore what we can do to help Melburnians explore and experience all that is on offer, and for business to understand what opportunities there are available for investment, innovation, and growth."

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JLL Managing Director and Committee for Melbourne Board Member, Craig Shute said the disparity between perception and performance emphasises the need to focus on retention of residents while converting visitors into residents.

“We all know that Melbourne offers spectacular sporting and cultural events, but what people sometimes forget is that it’s bio-medical precinct, start-ups and unicorn businesses are leaders in the world,” Mr Shute said.

“When we are talking about retaining our biggest and brightest minds, we are also talking about ensuring that companies want to establish their headquarters and grow their footprint here.

“This means promoting our other offerings more and ensuring the jobs of the future are here and available, so people don’t just visit, they want to stay. Residents and business need to know there are opportunities to be leveraged, beyond being a cultural mecca. This report provides an opportunity to have these important conversations.”

Mr Melvin said the Victorian Government and local councils like the City of Melbourne have undertaken significant programs of work to address areas critical to Melbourne’s liveability, such as infrastructure, sustainability, skills, jobs and social housing.

“While government investment and initiatives have helped underpin Melbourne’s success as a great place to live, visit or invest, it’s time for all Melburnians to get behind our city and feel proud to be a world leader in so many fields outside sport, arts and dining,” he said.

“San Francisco is known for its hilly streets, cable cars and counterculture, yet its wider Bay Area has also become proudly synonymous with technology and the origins of companies like Apple, Paypal, and Zoom. Stockholmers boast about Spotify and the city’s inclusive business culture, as much they do its fashion, music and palaces. How many Melburnians know about our world leading firsts?

“It’s no wonder that there is a lot more for us to learn about our city. With multiple agencies, governments, businesses and organisations talking about Melbourne in different ways, there is no single message or vision for Melbourne.

“Only if there is a unified message and action, will Melbourne’s full potential be realised, and residents and businesses can feel more engaged in what makes us one of the best cities in the world.”

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Key stats from the report are below.

BACKGROUND: *The Benchmarking Melbourne report, authored by The Business of Cities, based in London, draws upon hundreds of sources ranging from economic data to perception surveys and public datasets to provide a detailed analysis of how Melbourne compares to other cities in Australia and around the world. Melbourne’s peer group of 20 cities included Abu Dhabi, Amsterdam, Bangalore, Barcelona, Berlin, Boston, Brisbane, San Francisco, Kuala Lumpur, London, Manchester, Milan, Montreal, San Francisco, Seattle, Singapore, Sydney, Tel Aviv, Toronto and Vancouver. The data underlying the 2023 report was taken both during and outside of COVID-19 and should not be viewed as a reflection of how well Melbourne dealt with the pandemic, but rather, how its registered performance as a city compares to peer cities over the same period.*

Committee for Melbourne: *Committee for Melbourne is relentless in its pursuit of positive and enduring change for all Melburnians. With more than 150 members from major corporations, small and medium business, academic institutions, local government and not-for-profit entities and through embracing three key pillars – Future Economy, Infrastructure & Sustainability, and Liveability & Urban Optimisation – the Committee exists to ensure Melbourne’s challenges and opportunities are addressed to keep our city vital, inclusive, progressive and sustainable. The Committee is a not-for-profit, member-funded entity that is politically independent and impartial, allowing us to freely and purposefully raise important issues. **To learn more visit:** melbourne.org.au*

The Business of Cities: *Is an urban intelligence firm providing data and advice to 100 global cities and companies. Based principally in London, the firm has worked for more than 10 local, state and federal governments in Australia over the past decade, as well as peak leadership groups and planning commissions. **To learn more visit:** www.thebusinessofcities.com*

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HOW MELBOURNE STACKS UP – Below are extracts from the report which are based on data/perceptions from some time since the start of the Covid-19 pandemic unless otherwise specified.

Inclusivity and wellbeing

- The city is now second among peers for ingredients for and outcomes of social equality, up from 7th before the pandemic commenced (IESE).
- Melbourne has the fifth lowest gender difference in uptake of public and active transport among 20 top global cities, with men and women walking, cycling and using public transport in similar proportions (Transportation Journal).
- Melbourne has the third least overworked population globally (based on the share of people who regularly work overtime / more than 49h per week) (Kisi).
- Melbourne places in the top quarter of global cities for how many people live within easy walking distance of large open spaces and is among the top five in its peer group for amount of green space per person (UNHabitat, OECD).

Perception vs performance

- On average in 2023, Melbourne places 16th across all benchmarks that are based on reputation and perception (down slightly from 13th in 2022), but only 25th in benchmarks that measure actual performance and delivery (down from 24th in 2022) (The Business of Cities research).
- This means that although Melbourne's 'performance gap' has narrowed slightly (now 9 places), it is still one of the largest among Melbourne's peers (The Business of Cities research).

Skills and talent

- 15th out of 50 top cities for how many data scientists and analytics jobs there are – more than in Boston, Paris and Berlin (Cushman & Wakefield).
- 22nd out of 50 cities with the biggest AI talent pools for ingredients for AI talent to thrive (Harvard Business Review).
- Melbourne's distance from competitors and domestic importance means it enjoys the 4th highest retention rate of top graduates among peers, on par with Seattle and Vancouver. (LinkedIn)
- Melbourne has the 2nd highest offering of flexible jobs among English-speaking peers (Indeed).
- The city is among the top 20 most diverse co-working markets in the world, ahead of Paris and Los Angeles (Coworking Insights).

Global reach and resilience

- Cumulatively over the last 2 decades, Melbourne has now attracted more FDI in regional HQs than Madrid and Beijing, placing 11th globally (fDi Magazine).
- More resilient city centre population: Melbourne is 5th out of peers for the number of people living in the city centre (WorldPop).

- Across all of 2022, office occupancy in Melbourne's CBD was around 12% lower than the global average. It is only just ahead of some of the biggest impacted US tech hubs, and behind London and Kuala Lumpur (Property Council of Australia, Remit, Relogix).

Experience

- Melbourne places in the top third among mid-sized cities for high rated visitor experiences, ahead of peer cities like Milan, Toronto and Tel Aviv (TripAdvisor).
- 92% of locals are satisfied with the city's food and drink scene – one of the highest in the world (TimeOut).
- Melbourne is now 10th out of 48 top global cities – or second among 14 peers – for local's perception of how attractive the local dining scene is, up nine places on last year (Mori Memorial Foundation).
- Melbourne is the 10th most recognised sporting city globally, up from 20th in 2020 (BCW).

Innovation and technology

- Melbourne is 3rd among 18 peers for the rate of start-up creation since the pandemic (Dealroom).
- Melbourne has reached 4th in the world for the success of energy and environment start-ups at achieving real scale (StartupBlink).
- Melbourne is in the top half of its peers for the share of start-ups and scale-ups specialising in health tech, biotech and pharma. Its health sector continues to drive the ecosystem, accounting for 1 in 6 start-ups (Dealroom, LaunchVic).

Transport and congestion

- Melbourne is now the 7th least congested city among 17 peers, with the number of hours lost to congestion nearly 25% lower than the average (INRIX).
- Melbourne has the third most sustainable transport mode share within the City of Melbourne precinct out of 13 peers (61%) but is in the bottom half at the wider scale (27%) (Census data, Deloitte).
- Across comparable peer cities in North America and Australia, Melbourne ranks 4th out of 9 for city centre walkability, but 8th out of 9 when looking across the whole-city (Walkscore).
- Among those who commute via public transport, Melbourne has the joint second longest average commute time among 15 peer cities. Those who use public transport to commute to work spend on average 5 minutes longer per trip (Moovit).

Environment

- Melbourne emits 21% less CO2 per GWh of electricity produced than the average among peers - lower than Manchester and Boston despite a similar share of electricity coming from fossil fuels (OECD).
- One third of the city's electricity production comes from renewable sources – the third highest share among peers (OECD).