



# Benchmarking Melbourne 2023

COMMITTEE  
MELBOURNE FOR



# Introduction

The Business of Cities commissioned to analyse Melbourne's performance using:

- 120 Benchmark studies that Melbourne appears in
- More than 500 individual metrics
- Measured against 20 global peer cities

Benchmarking has benefits:

- Can capture individual indicators that come to light and broader trends on how Melbourne is performing and perceived
- Cities evolve – and benchmarks are able to reflect the changing priorities of citizens, companies, visitors and investors
- It can enable a broader view to help understand where the city is strong and observe some opportunities for work
- It can help prioritise where the work might be

Benchmarking - a reminder:

- The measures are relative to the peer cities. Cities can improve whilst falling behind its peers. The opposite can also happen
- Time lags. This is a snap-shot in time and data can lag performance by anything from six months to two years.
- Governments can't control everything – benchmarks don't assign blame.

# 20 global peer cities

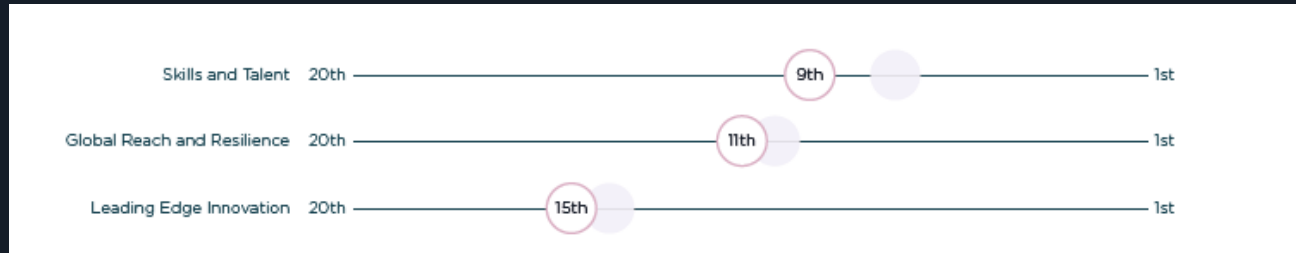
Melbourne's peer includes:

- Successful cities in cross-border investment
- 10 of the world's top 20 start-up ecosystems
- Some cities are the most affected by COVID-19 – due to lockdown effects or major new work-from-home patterns
- Shared growth management challenges relating to congestion and affordability

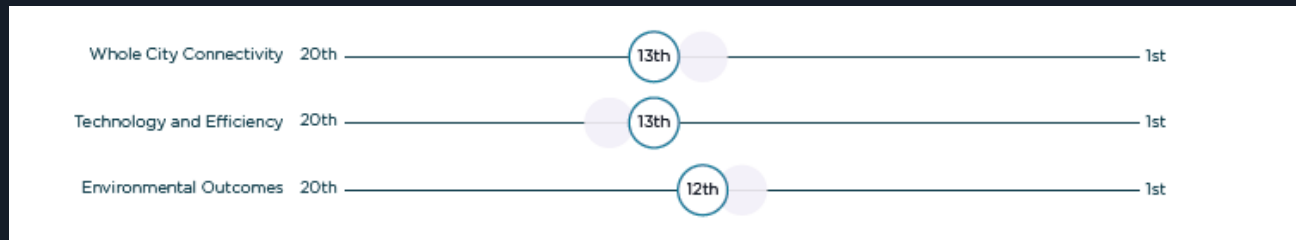


# How is Melbourne performing?

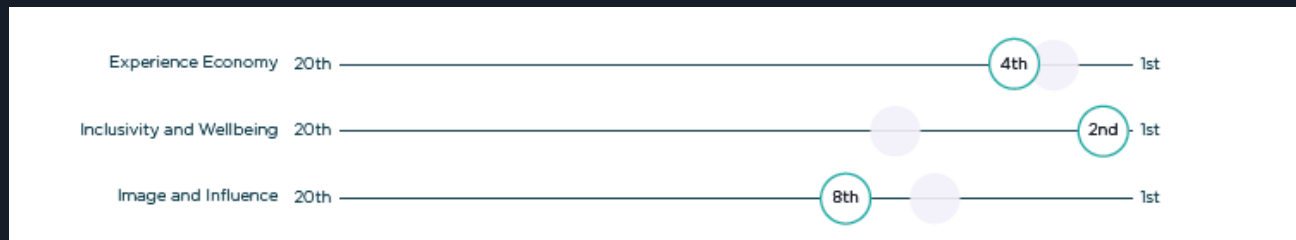
## Future Economy



## Infrastructure & Sustainability



## Liveability & Urban Optimisation



Melbourne's aggregate position among 20 global peers

- Competition for skills and talent is growing – the talent pool in data and AI-impacted sectors is deepening.
- The whole city connectivity issues remain, with a contrast between the inner city and Greater Melbourne for ease of getting around and access to amenities.
- Many peer cities include some of the worlds fastest decarbonizing cities – making more wide-ranging progress than Melbourne.
- Melbourne improved from 7<sup>th</sup> to 2<sup>nd</sup> in inclusivity and wellbeing compared to 2022.
- Recognised as an international capital for sport, music, food and culture.

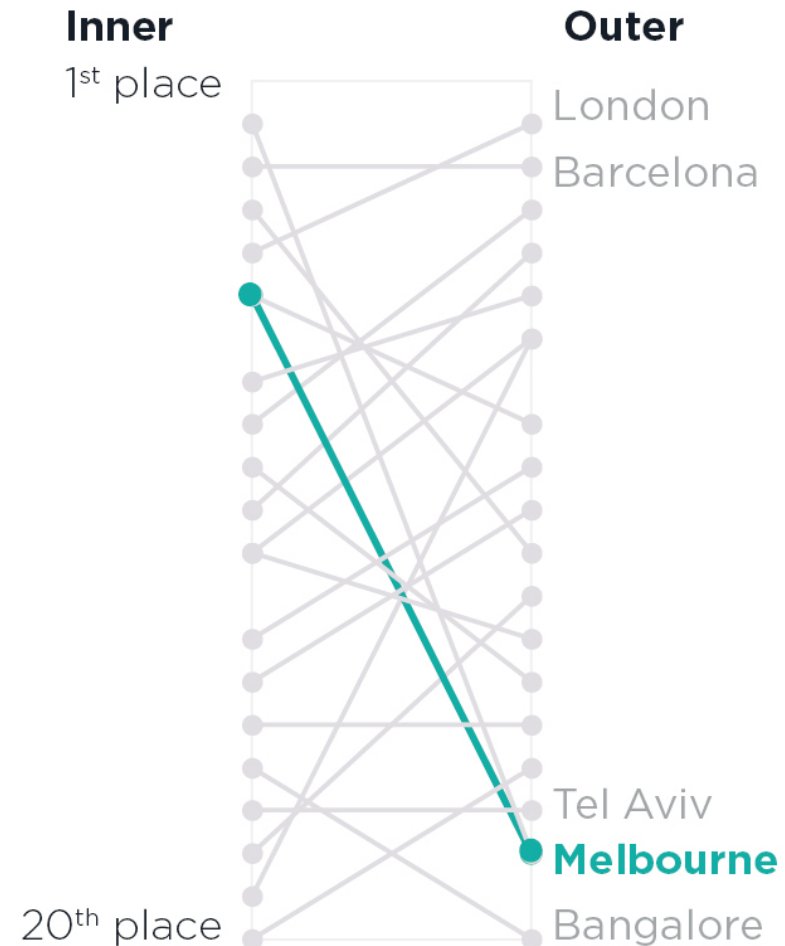
## 'Tale of two cities'

There are disadvantages of a deepening divergence between a world class central city and a fragmented metropolis, seen occurring for example in whole city connectivity, experience economy, innovation and environmental outcomes

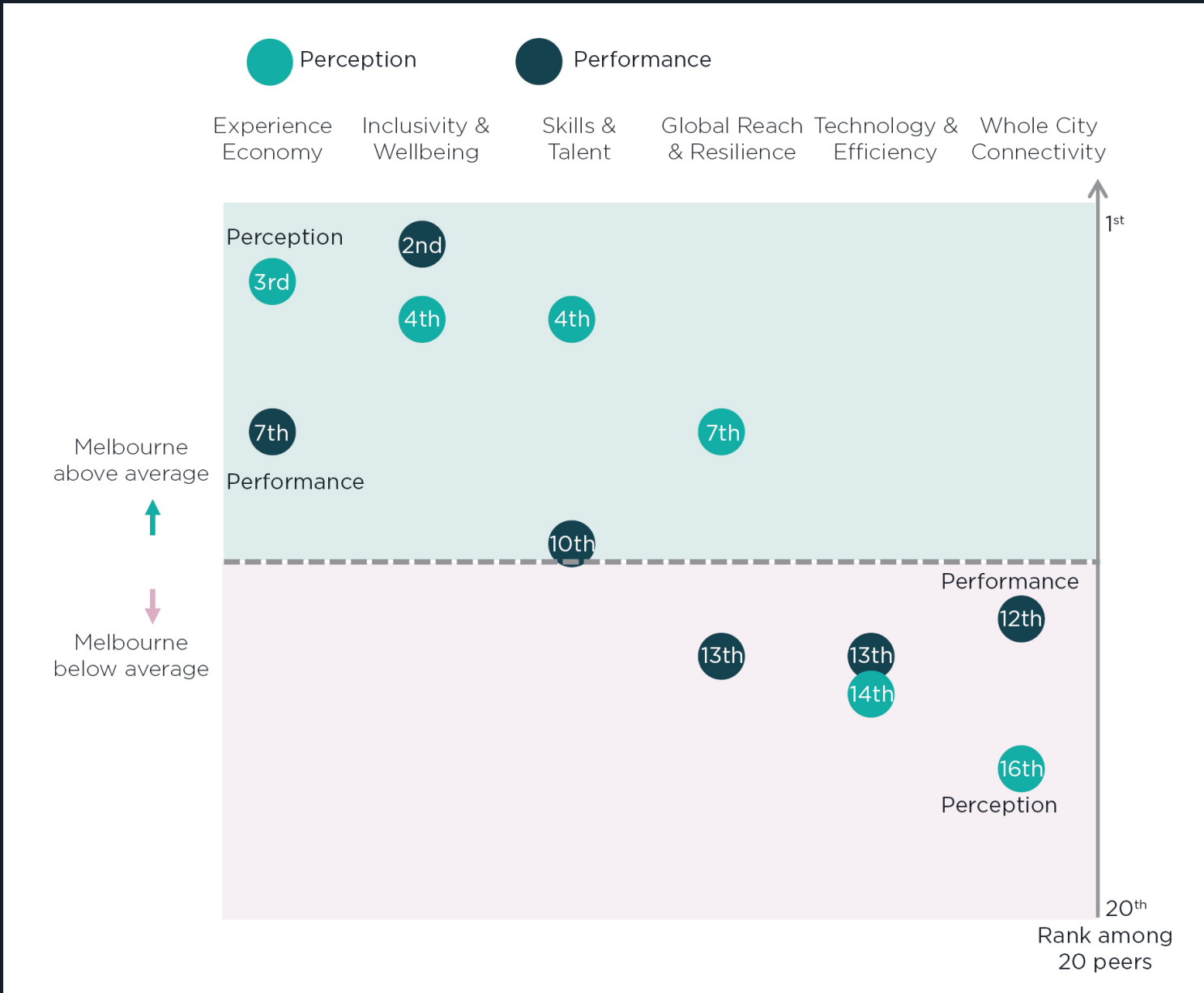
- ◆ Highly sustainable transport model and commitment to climate action within City of Melbourne amongst peers
- ↳ Bottom half on a wider scale for total metropolitan carbon emissions
- ◆ One of the most concentrated innovation economies in the world – 4/5 top-tier HQ's in the centre
- ◆ Places 6<sup>th</sup> amongst peers for population density in inner suburbs
- ↳ But 16<sup>th</sup> across the whole metropolis

## A widening rift

Average position across measures of inner-city vs. outer-city performance in 2023



# Performance gap



Perceptions of Melbourne are higher than its performance

The 'performance gap' holds across most areas: access to skills, experience economy, fostering the growth of high-tech companies, and the depth of urban experience.

The longer-term risk is lagging performance starts dragging down perception.

Whole city connectivity perceptions are well below performance – with both perception and performance being below average.

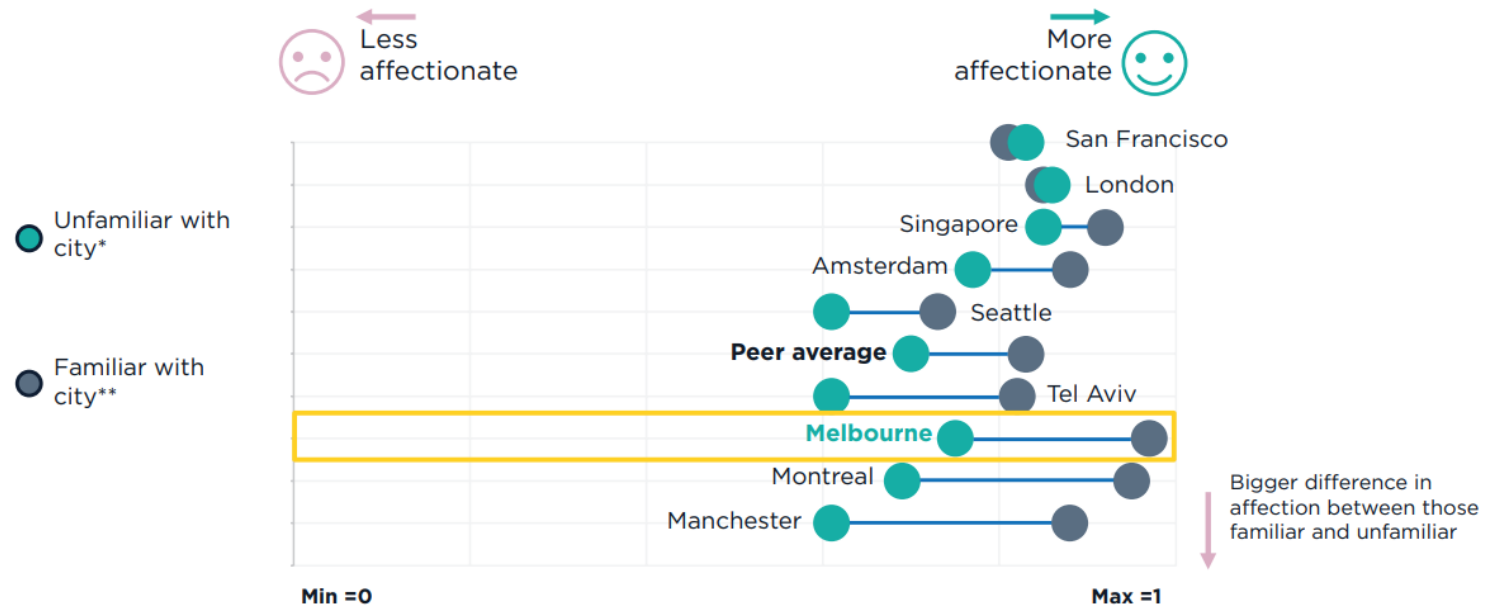
Whilst temporary visitors on the one hand tend to have a very positive experience of Melbourne, realities of living in the city as a permanent resident expose this performance gap. Failing to live up to what people expect of Melbourne, may erode confidence among businesses and investors and cause us to miss out on attracting investment, skills and talent to the city.

Melbourne's average position in indices that are oriented to different audiences

Students	12th
Visitors	18th
Expats	19th
Investors	25th
Entrepreneurs	26th
Citizens	26th

## Familiarity is key

Difference in aggregate affection scores between people familiar and unfamiliar with the city



## What can be done?

- We must and should celebrate the great strengths that Melbourne has to offer – we should never overlook the attributes that Melbourne is famous for.
- For Melbourne's overall **city performance to improve**, there is a need to deliver bigger, bolder responses. This includes essential infrastructure – rail, digital, trade and freight.
- **Brand Melbourne.** The city is loved by locals, but many of its assets and attributes are hidden. Melbourne's enduring traits, deep back stories, and unique capabilities, will need amplifying. Only if there is a unified message and action, will Melbourne's full potential be realised.

This requires business, community and all levels of government to come together.





# Future Economy - Skills and Talent

20th

9th

1st

## Statistics

22<sup>nd</sup> out of 50 peer cities

AI talent pools

2<sup>nd</sup> highest offering

Flexible jobs among English-speaking peers

10<sup>th</sup> out of 109 peer cities

Highest decade forecast growth working age people



# Future Economy - Global Reach and Resilience



20th



11th

1st

## Statistics

11 <sup>th</sup> globally	For attracting FDI in regional headquarters over the past two decades - higher than Madrid and Beijing
12% lower than global average	Office occupancy in Melbourne's CBD
3x higher than peer cities	Take up in the industrial and logistics sector
5 <sup>th</sup> largest cluster	Of locally HQ'd firms in mobility & logistics

# Future Economy – Leading Edge Innovation

20th



15th

1st

## Statistics

4<sup>th</sup> in the world

Aspiring hub for energy and environment start-ups at achieving real scale

3rd among 18 peers

Rate of new start-up creating since the pandemic

Only 31 compared to 64 median in peers

Tech-related companies to HQ in Melbourne



# Infrastructure & Sustainability - Whole City Connectivity



20th



13th

1st

## Statistics

Joint 2<sup>nd</sup> of 15 peer cities

Longest average commute time for public transport users

5% lower than peer average

Public transport commuters who regularly get to work in less than half an hour

14% lower than peer average

People reaching the city centre within a one-hour public transport commute

# Infrastructure & Sustainability – Technology and Efficiency



20th



13th

1st

## Statistics

21 <sup>st</sup> of 171 global cities	Average mobile broadband download speeds
40% higher than competitors	Average mobile broadband speeds
More than 50% below peer cities average	Melbourne's median fixed broadband speeds

# Infrastructure & Sustainability – Environmental Outcomes

20th

12th

1st

## Statistics

3<sup>rd</sup> of 20 peer cities

Electricity generation coming from renewable energy sources

3<sup>rd</sup> of 10 peer cities

Carbon emissions from transport and industry

8<sup>th</sup> of 14 peer cities

Uptake of active and public transport mode share (only 27%)

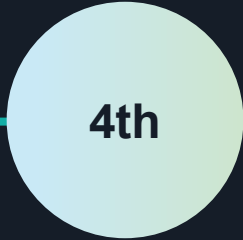
10%

Share of protected land for biodiversity (19% peer average)



# Liveability & Urban Optimisation - Experience Economy

20th



1st

## Statistics

92% locals satisfied

Food and drink scene keeps locals happy - 2<sup>nd</sup> out of 14 peer cities compared to last year

65<sup>th</sup> out of 69 globally

For child-friendly restaurants

10<sup>th</sup> globally

Most recognised sporting city



# Liveability & Urban Optimisation - Inclusivity and Wellbeing

20th

2nd

1st

## Statistics

18<sup>th</sup> out of 25 global cities

More people living in areas with lower access to healthier food

Top 3 out of 40 cities

Publicly rated for running

5<sup>th</sup> most unaffordable city

Housing market performance has declined in affordability in the English-speaking world

4<sup>th</sup> globally

Most vegan-friendly city

3<sup>rd</sup> globally

Least overworked population (based on the share of people who regularly work overtime/more than 49 hours per week)





# Liveability & Urban Optimisation – Image and Influence

20th

8th

1st

## Statistics

22<sup>nd</sup> globally

Search interest for moving here

Top 15%

Social media hashtags

72% globally

Expats think locals are friendly and publicly rated the friendliest city

