



**ALDI Stores**

(A Limited Partnership)  
ABN 90 196 565 019

RECEIVED

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DPTI

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**REGENCY PARK REGION**

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15<sup>th</sup> February 2019

Hon. Stephan Knoll  
Minister for Planning  
GPO Box 1533  
ADELAIDE SA 5001

Via email: [DPTI.PlanningEngagement@sa.gov.au](mailto:DPTI.PlanningEngagement@sa.gov.au)

Dear Minister

RE: SUBMISSION ON THE PRODUCTIVE ECONOMY DISCUSSION PAPER

We refer to the Productive Economy discussion paper that was recently released for consideration and feedback, and wish to congratulate the Department of Planning, Transport and Infrastructure (DPTI) on their proactive approach to ensure that future planning policy supports and stimulates economic growth and development within South Australia. We are pleased to provide the following response to the discussion paper.

ALDI Stores is a 'hard discount' supermarket operator in Australia, providing a broad range of exclusive brands from small-format stores. ALDI Stores entered the South Australian retail market in February 2016 and has since established 29 supermarkets, including 23 in Greater Adelaide and six (6) in regional areas. Notwithstanding, a Retail Demand and Impact analysis performed by Deep end Services indicates that ALDI has less than 5% market share of 'Supermarkets and Grocery store' turnover within South Australia, thereby indicating opportunities for further growth to compete with established national retail chains and other operators.

We are over half way to achieving our goal of establishing a network of 50 stores which will inject investment of approximately \$300M, together with an estimated 300 jobs during construction and 900 permanent jobs thereafter. However, despite various improvements made to existing planning policy under the existing planning framework (for example, through the Existing Activity Centres DPA), in our experience South Australian planning policy is still restrictive and can act as an impediment to investment and competition within the retail sector. This is becoming even more prevalent due to the scarcity of suitable and available land within Centre Zones for retail development.

To accommodate appropriate retail development, we believe the existing hierarchy of centres could be simplified. In our view, the scale of retail development should not be pre-determined by the 'hierarchy' of a centre, but rather the actual demand for retail services taking into account existing urban development and the desired level of growth contemplated for an area. A flexible approach to policy formulation will accommodate a greater diversity of retail activity capable of quickly adapting to changing retail trends as well as the needs of emerging communities. Accordingly, we support the intended approach to policy formulation relating to Centres, retail and mixed use activities outlined within the discussion paper (refer to Ref. No. 2A, 2B, 2C and 2G for Theme 2: Linking People to Jobs, Goods and Service).

The ability for ALDI to continue to establish additional stores throughout South Australia will be entirely contingent upon the availability of appropriately sized and positioned land parcels within suitably

zoned locations. Free-standing stores, in particular, have proven challenging to deliver due, in part, to the limited number of zones which seek to accommodate retail development of the nature proposed by ALDI. To this end, we are particularly supportive of the guiding principles for retail development found within the discussion paper (Pg. 37) which seek to accommodate retail development within existing centres, including the expansion and intensification of retail development within existing designated centres and the creation of new activity centres in appropriate locations such as along arterial roads and urban corridors.

We thank you for the opportunity to make a submission on the Productive Economy discussion paper. In our experience (both nationally and in South Australia), efficient and effective planning frameworks will encourage investment and competition within the retail sector which will stimulate economic growth.

The transition to the Planning Development and Infrastructure Act 2016 and the Planning and Design Code provides a fantastic opportunity for South Australia to introduce planning policy that will stimulate growth and cater for the needs of South Australia's target population growth.

Should you or DPTI's administration have any queries regarding this submission, please do not hesitate to contact the undersigned on (08) 8249 8000.

Yours sincerely,  
ALDI Stores



Nigel Uren  
Property Director