

Tonsley Park: Clean tech hub in South Australia

May 2012

The South Australian Government hopes to turn the former Mitsubishi site, Tonsley Park, in Adelaide's south, into a power centre for high value, innovative manufacturing companies. After almost half a century of being used for production of motor vehicles, Mitsubishi Motors ceased its manufacturing operations at the Tonsley site in 2008, and in 2010 the South Australian Government acquired the 64 hectare site.

The Government intends to develop Tonsley Park into a hub for advanced manufacturing, with a particular focus on attracting companies from the clean technology industry, including sectors like renewable energy, water, environment, and building technologies. Other industries the Government hopes to attract to the site include medical, mining and resources, functional food and instrumentation.

Another key feature of the redevelopment of Tonsley Park is the \$125 million Sustainable Industries Education Centre (SIEC) that will specialise in training more than 8000 students a year in new green technologies. The intention is to bring the high-value industry, education and the research sector together in order to create the optimal conditions for new manufacturing and innovation in South Australia.

Tier 5, a company specialising in innovative data centre services and consultation, is investing \$113 million in a state-of-the-art data center at Tonsley Park, located next to the SIEC.

Finally, earlier this month the German company Siemens signed a Memorandum of Understanding (MOU) to become a strategic partner in the Tonsley Park project. The MOU commits Siemens and the South Australian Government to:

- Jointly endorsing and promoting Tonsley Park to national and global audiences
- Investigating opportunities for education, research and industry collaboration
- Sharing information on future trends and opportunities

Tonsley Park is located 10km from the Adelaide CBD in the City of Marion. Bordered by South Road and the Tonsley railway line, the site covers approximately 64 ha of land and is in close proximity to major transport corridors, Flinders University, Flinders Medical Centre and Science Park.



Master Plan

In March 2012 the South Australian Government released the Master Plan for the redevelopment of Tonsley Park. The plan sets out the framework for the development as well as the expected key outcomes of the project. These include:

- The creation of 6300 jobs over 20 years through \$1 billion in private investment, which has been independently assessed.
- A localised green electricity network – known as a Smart Grid
- Refurbished main assembly plant to create a new town centre with specialty retail outlets
- 1500 new residents accommodated at Tonsley Park by 2031 within a lively, safe community linked to the Tonsley rail line.
- Urban wetlands and rain gardens which capture water for re-use
- Green open spaces, cycling and walking paths

The total project cost of \$252.9 million is expected to be offset in part (\$172.1 million) through land sales and rental income. The project is anticipated to generate sales revenue of \$144.6 million derived from industrial and commercial land sales of \$70.2 million, residential and retail/ town centre land sales of \$64.7 million, and education development of \$9.7 million.

Sales are projected to occur over a sixteen year period commencing in 2012-13. Rental income is forecast at \$27.5 million over the life of the project.

[Master Plan available here](#)

Sustainable Industries Education Centre

Construction of the SIEC will begin in the middle of 2012, although enabling works commenced in January 2012. It is expected that the SIEC will be completed by late 2013, with the first students starting in 2014.

The centre will, according to the Minister for Employment, Higher Education and Skills, Tom Kenyon, help meet the growing skills needs of the building industry. Moreover, it will ensure the industry has a workforce capable of implementing the new technologies required to drive a low carbon economy.

In May 2012 Peter Nolan was appointed Director of the SIEC, a position he will take up from June 2012. Mr Nolan has much experience in the field after being CEO of a private registered training organisation, manager of an industry-based training group, lecturer and Program Manager at TAFE WA, and Apprenticeship Manager with the WA Chamber of Commerce and Industry.

[The media release is available here](#)

Background

In a Green Paper released earlier this year, the South Australian Government identified advanced manufacturing as one of the primary focus areas to guide the state's future



manufacturing strategy. According to the South Australian Government the state's economy is showing early signs of the negative consequences of the mining boom, and to counter that development the Government is committed to ensure the future of the manufacturing sector in South Australia.

[The Green Paper is available here](#)

In the South Australian Government's discussion paper "*Manufacturing into the future*" it maintains that one of the methods to address the adverse effects of the mining boom is to increase the competitiveness of the manufacturing sector. This requires a number of measures, such as investment in education and infrastructure specifically aimed at supporting the manufacturing sector.

["Manufacturing into the future" is available here](#)

The redevelopment of Tonsley Park is a significant component in the Government's plans to modernise manufacturing by providing a springboard for capability development and new investment in advanced, high-value manufacturing in South Australia and Adelaide in particular. In addition, it will assist in rebuilding the manufacturing base of Adelaide's southern suburbs, which has seen the closure of several traditional manufacturing sites in recent years.

The economic development framework for Tonsley Park is designed to:

- Attract investment into high value manufacturing and services that build the value chain, support, value creation and value add in the South Australian economy.
- Create new high value employment opportunities in southern Adelaide.
- Develop industry clusters such as mining and environmental industries.
- Underpin the diversification of existing industries and development of emerging cleantech and environmental industries.
- Support skills and workforce development and provide links between education, training, research and industry.

Target industries for the Tonsley Park Redevelopment include, but are not limited to:

- Cleantech (renewable energy, water, environment and building technologies)
- Health and medical (medical devices, tele-health)
- Mining and resources (remote mining technologies, simulation)
- Functional food
- Instrumentation (rapid prototyping, integrated management systems)
- Process control and automation.



Budget

Item	Budget (\$m)
Land cost	47.2
Development cost	158.4
Other Expenditure	43.3
Total Project Budget	252.9

Development total breakdown

Item	Amount (\$m)
Site Development Cost	
Site infrastructure	22.6
Site improvement	1.6
Service ring road & civic streets	18.0
Other (Site fencing, car parking, buffer zones)	7.6
Subtotal	49.8
Main Building Refurbishment Cost	
Main building remediation works	23.2
Main building upgrade	21.7
Other costs, including internal roads	19.3
Subtotal	64.2
Precinct Development Cost	
Site remediation	10.1
Precinct roads	12.1
Power station Screening	2.1
Local Energy Network	5.0
Administration building upgrade	1.5
Demolition	13.6
Subtotal	44.4
Total	158.4

Land use

Commercial / sustainable light industry	60% (37 ha)
Residential	28% (17 ha)
Education	10% (6 ha)
Retail	2% (1 ha0)

Source: The Public Works Committee Final Report. [Available here.](#)

Timeline



Location

