

Committee
for
Sydney

Benchmarking Sydney's Performance 2019



Contents

Acknowledgements

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The Business of Cities

We thank Chairman Professor Greg Clark
Managing Director Dr. Tim Moonen
Research Associate Jake Nunley
Business Development & Research
Associate Opportune Simon

Committee for Sydney research staff

Deputy CEO & Director of Policy
Eamon Waterford
Research Principal Sam Stewart

Cover photo

An aerial shot of one of Sydney's iconic beach pools

Foreword	03
Executive summary	05
Introduction	06
Business and finance	11
Knowledge economy	20
Lifestyle and environment	28
Culture and destination appeal	40
Endnotes	49
Innovation Fund Partners	51
Members	51

Foreword

Welcome to the fourth report in our annual *Benchmarking Sydney* series. This research gives us insight into our city—its strengths and weaknesses, what’s working and what’s not, and how we compare to other leading global cities.

Any time we receive feedback, we may feel misunderstood or feel like not all of the perceptions are fair. We say to ourselves: Don’t they know how hard we are working on this?

But it’s generally best to hear the feedback. This benchmarking report gives us a window into how the rest of the world sees us.

The news is generally very positive. By one measure, Sydney remains the second most admired city in the world. We are one of the most popular cities in the world for international students. And we are a hub for highly skilled knowledge economy jobs.

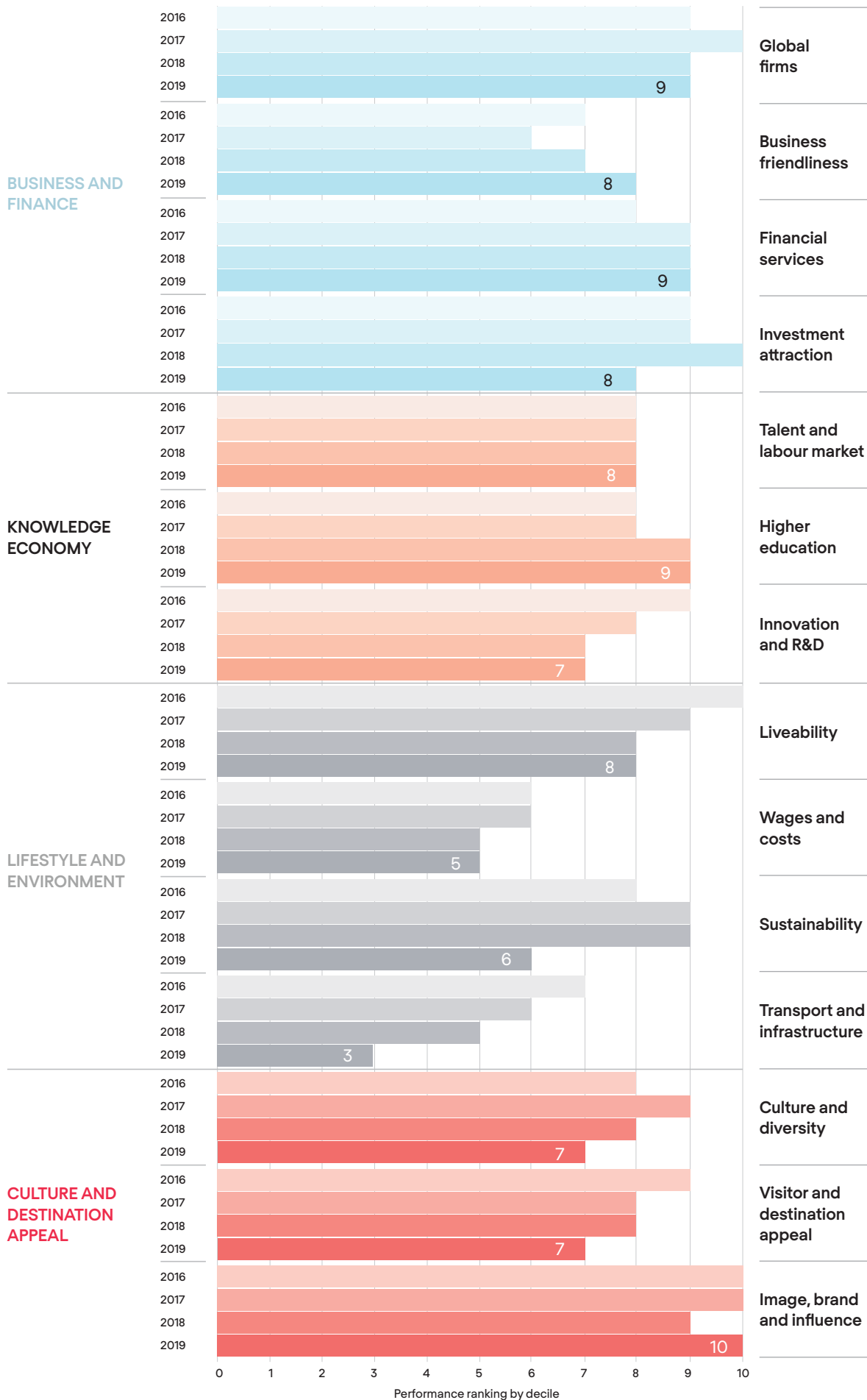
But there are also issues we need to work on. Sydney is seen as lacking cultural breadth. We are not a world leader on climate change. Sydney is more car dependent than the competition. And the city is a very expensive place to live.

All of these issues point us in the direction of changes that we may want to consider.

At the Committee for Sydney, we strive to create a better Sydney that offers unparalleled opportunity and quality of life, for everyone. We think Sydney can be the best city in the world. Benchmarking comparisons help us understand where to focus our energy and ambitions.

Gabriel Metcalf
CEO
Committee for Sydney

Figure 1: Sydney's performance ranking by decile relative to 33 peer cities



Executive summary

Sydney is a city on the move, with progress being made towards many of the foundations that will enable the city to grow well over the coming decades.

Is this progress enough? How does it stack up in a wider, global context where other cities are advancing quickly? Comparative studies and city benchmarks are one resource that can help provide an answer. Tracking, as they do, the ups and downs of the world's cities, there are now more than 600 global studies of cities that incorporate well over 50,000 data points that together provide a lens on what the gaps are, between where a city is and where it needs to be, and between performance and perception. For Sydney, a metropolitan city with few local peers, benchmarks can inform what is needed to communicate Sydney's edges, and bridge the gaps.

This 4th edition of the Committee for Sydney's benchmarking report reviews Sydney's performance over the last 12 months. As the highest profile, most frequently measured city in the Southern Hemisphere, the insight into Sydney's progress is substantial. And as residents, visitors, investors and innovators start to judge cities in different ways, the universe of city benchmarks is changing.

Six key themes emerge from the data

- **Sydney continues to be a successful city – with strong economic fundamentals.** The city continues to consolidate its Asia-Pacific and global business functions despite rising competition, and although its appeal to global players is more concentrated in certain sectors, Sydney still rates very highly in measures and perceptions of business freedom, transparency and risk.
- **Our innovation economy is improving, but others are improving faster. We need a different strategy.** Sydney is on the cusp of establishing itself as a top 20 city for innovation globally but needs a clearer and more concerted strategy to raise investment in enterprise and innovation, incentivise institutions to become more proactive, and accommodate activity in appropriate locations and clusters.
- **Our car-dominant mode-share is holding Sydney back.** Current and forthcoming investments into Sydney's transport system are anticipated to radically improve internal connectivity but have not been able prevent a further slide in the city's relative position in terms of congestion and efficiency relative to other competitors.
- **Sydney scores badly on climate change preparedness and disaster resilience.** Cities are now being judged on whether they adopt, implement, finance and mainstream sustainable urban policies, and make real progress on emissions, renewable energies, pollutants and reducing climate change vulnerability. Despite some wins, Sydney is emerging less favourably in this picture, as other cities move quickly to pilot and then scale new approaches.
- **Our night-time economy is a major drag on the world's perception of Sydney.** The shortcomings and constraints on Sydney's night-time economy are proving to be a major dampener to Sydney's reputation among some of its key audiences, despite high overall scores among visitors. Meanwhile, the rise of interest in how cities perform in terms of making their streets, landmarks and public spaces more accessible and enjoyable for more people is also highlighting Sydney's need to improve dramatically to catch up with cities competing for the experience economy and for influence.
- **A more coherent Sydney narrative is needed.** Sydney's status as a city with a special reputation among international students, trip-planning visitors and footloose investors is re-affirmed by the benchmarks in 2019. The challenge is translating this visitor brand advantage into a compelling all-round story, given the perception imbalances across different target audiences.

Introduction



Sydney Symphony Under the Stars held at Parramatta Park as part of Sydney Festival
Image source: Sydney Festival

Why this report

Comparative studies and city benchmarks provide an important source of insight about Sydney's changing performance, as the city experiences its accelerated cycle of growth, investment and change.

With over 600 comparative city benchmark studies around the world, the 'science' of city measurement is very diverse and in a period of expansion. More means to measure and compare cities exist than ever before. These comparisons consist of everything from detailed analytical studies by inter-governmental organisations, to index reports produced by consulting firms and business schools, large-scale perception surveys, reviews of performance and readiness in specific urban themes, and longitudinal statistical databases.

For the past 4 years, this paper has reviewed all of the comparative studies, not just a select few, in order to capture trends in how Sydney is both performing and perceived as a whole, against a peer group of cities with similar characteristics. We then explore whether there has been year-on-year change to look for medium-term patterns that reflect the impacts of real changes and policies, relative to other cities. We dissect these benchmarks to understand which data points are really driving change in performance, rather than just taking the summary scores at face value. Taken in this way they can reveal areas of improvement and imperative relative to other cities who are on similar journeys.

What benchmarks can and can't tell us

Of course, the comprehensiveness and robustness of city benchmarks varies significantly. Each has specific focuses and methodological strengths and shortcomings. Some are not fully transparent. That said, what indices look at has on the whole become more balanced: more weighted towards the needs of residents, entrepreneurs and small business and not just corporate expats and visitors; more attentive to neighbourhood-level attributes as well as 'whole city' flows and scores; and more concerned to compare the 'real' metropolitan city rather than just what goes on inside central cities or CBDs. These shifts mean that benchmarks are helping to identify a wider set of comparative and competitive risks for cities that persist with the status quo.

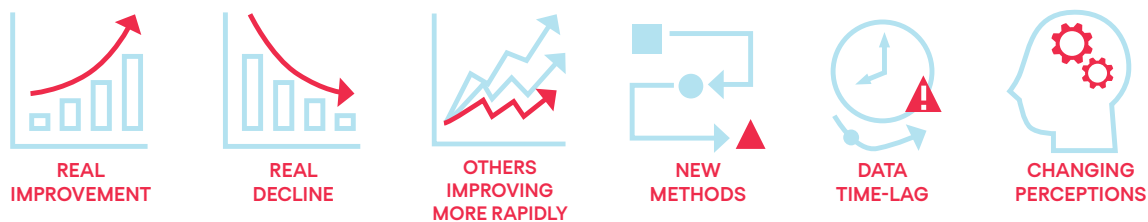
But benchmarks do more than just provide an international perspective on how a city is doing. They also exert influence by shaping the perceptions and decisions of businesses and investors, and their public visibility means they inform the choices of mobile talent, and the appetites of global visitors and entrepreneurs. They change how Sydney thinks about itself and how the world thinks about Sydney.

So the point of benchmarking Sydney is not to substitute for an absolute science of how Sydney is performing. It is rather to help better understand Sydney's role in the evolving system of cities globally, to know the factors that it is judged on and competes on, to recognise how common perceptions 'stack up' against measurable performance, and to evaluate whether Sydney is delivering good results or dependable outcomes over a whole economic or investment cycle.

Explaining Sydney's change

In a city experiencing substantial investment and the incremental arrival of long-awaited new infrastructure, the translation of real change into recognised performance in the benchmarks is not always linear. In this year's paper, to make it clearer as to why Sydney is performing the way it is, we observe the different reasons why its score is changing, such as:

- real, absolute improvements or declines
- relative speed of change versus other cities that are also changing quickly
- a shift in methods or focus
- data time-lags between real improvement and measured performance
- changing perceptions among surveyed audiences.



For each of the 14 indicators, Sydney has been evaluated in relevant multiple comparative benchmarks. In each category, Sydney's performance is graded on a 10-point scale, based on its performance against all comparator cities from within the peer group of 33 selected. This is the same peer group as used in 2016, 2017 and 2018, for consistency and comparability. Decile position is based on position among the 33 city group, e.g. 3rd/33 = 1st Decile, 7th = 2nd Decile, 17th = 6th Decile, and so on. A higher performance decile reflects a better set of results for the city while a lower score indicates a worse set of results.

Sydney is ranked against a list of peer cities

The 33 cities are:

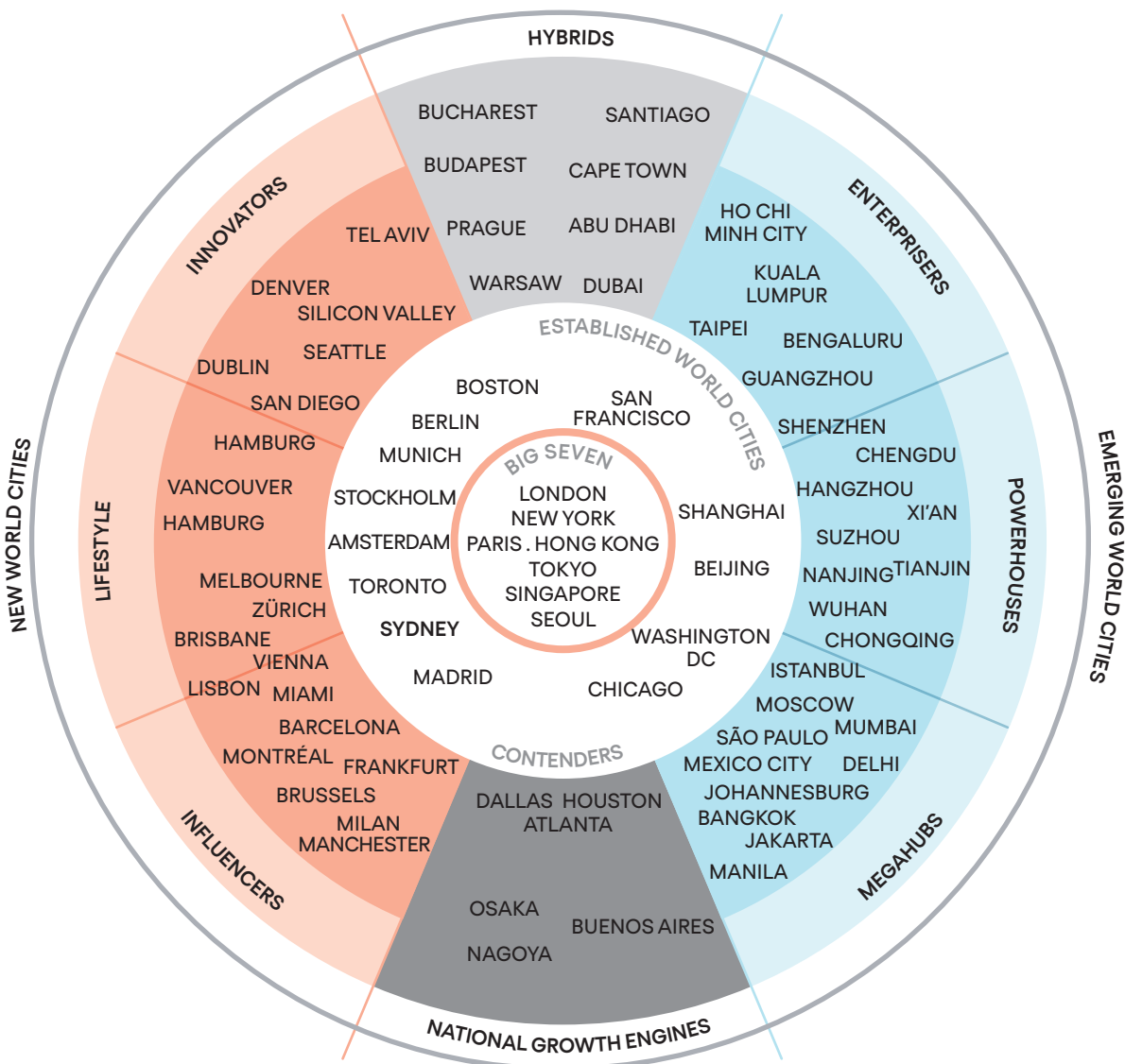
Amsterdam	London	Seoul
Barcelona	Madrid	Singapore
Berlin	Melbourne	Stockholm
Boston	Miami	Sydney
Brisbane	Milan	Tel Aviv
Brussels	Montréal	Toronto
Buenos Aires	Munich	Vancouver
Chicago	Osaka	Vienna
Frankfurt	Paris	Washington DC
Hamburg	San Francisco	Warsaw
Hong Kong	Seattle	Zürich

Sydney as a Contender

Across all benchmarks and all areas of city competitiveness, Sydney holds steady in 15th place globally. This puts the city among the second tier of Contenders, placed just below the top group of the most globalised and influential urban economies, which have the highest all-round appeal to capital, talent, business and visitors.

This group of Contender cities appears to be expanding as other cities grow their international business roles and expand their reach in terms of visitors, entrepreneurs and influence. So in addition to established Contenders such as Toronto and San Francisco, Sydney is also joined by Munich, Berlin, Boston and Stockholm (see Figure 2). Although Sydney has special timezone, climate and lifestyle advantages over these peer cities, the level of global competition and the quality of the urban offer in these cities and others is rising and leaves no room for complacency.

Figure 2: Sydney among the typology of the world's cities in 2019



Source: *The Business of Cities and JLL, 2019.*

Table 1: Example metrics where Sydney ranks highly or weakly against other Contender world cities

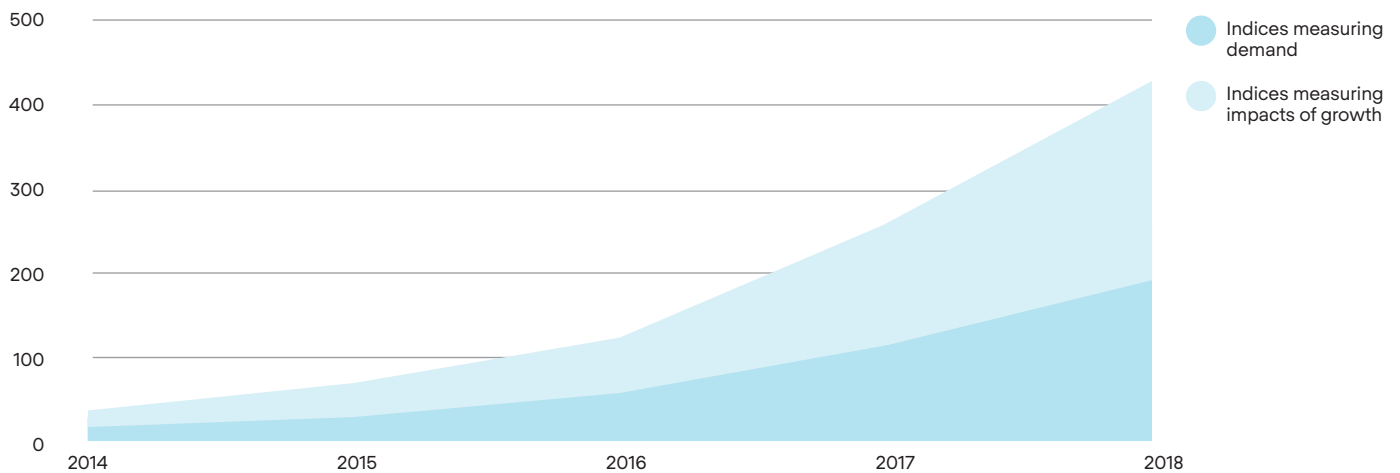
Top 3 among Contenders	Bottom 3 among Contenders
Number of international students	Rental market affordability for 1 bedroom apartment
Number of new companies setting up new job creating activities.	Volume of venture capital investment.
Percentage of start-ups founded by women	Congestion level, commuting convenience and number of rail stations per capita.
Tree canopy coverage (as % of total city)	CO ₂ emissions
Percentage of foreign-born residents	Perceived evening appeal and “fun factor”, based on surveys of nightlife and dining scene.

Relative to other Contender cities, Sydney continues to stand out as a destination for international students, its cosmopolitan population, success in attracting job-creating business investment, and participation of women in the economy. However, Sydney also falls behind this group when it comes to rental affordability, the appetite and activity of venture capital, and the perceived appeal of the city’s night-time economy (see Table 1).

More broadly, in 2019 there has been a deepening of the trend towards comparing cities on a wider range of factors that reflect the changing priorities of investors, visitors and citizens. The trend can be summarised in three dimensions:

- **From hard to soft:** A shift from hard measures of investment volumes and infrastructure coverage to softer factors of placemaking, quality of place, access to amenities, citizen happiness and health, and appeal to a wider range of audiences than simply expats or visitors, such as students, investors, and families.
- **From endowment to management:** A shift from inherited assets such as green space, climate, scenic environment and demographic profile, towards how proactive cities are in their attempts to improve from their current position, both in terms of the ambition of their policies and the level of adoption and behaviour change by citizens and businesses.
- **From growth to good growth:** A shift from rates of economic growth and consumer demand, towards how the externalities that arise with such growth are managed, such as congestion, environmental stress and housing unaffordability (see Figure 3).

Figure 3: Change in the number of indexes measuring the impacts of growth versus those measuring demand*



*Demand = indices on investment attraction and friendliness, economic and employment growth, visitor numbers. Impacts of growth = indices on affordability and costs, congestion, environment and pollution, safety, quality of life and appeal.

Source: *The Business of Cities Research*.

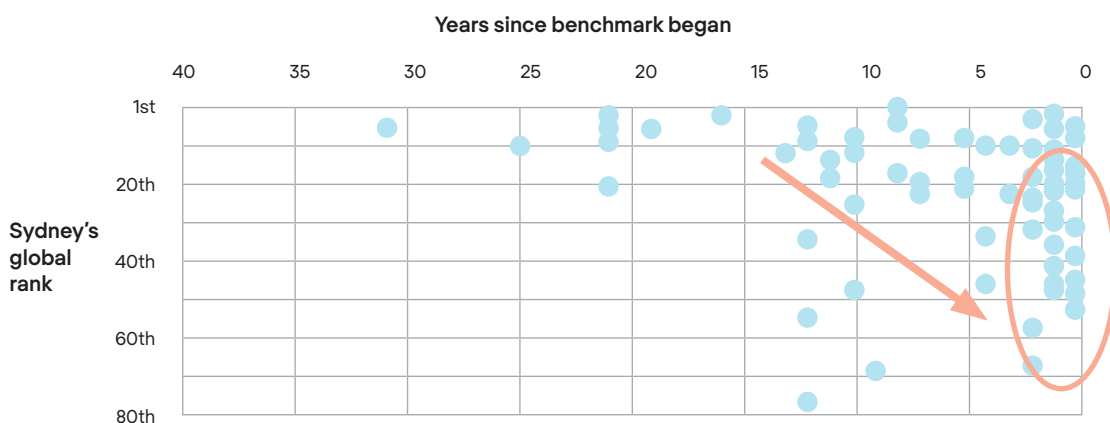


Table 2: Emerging areas of focus in the themes becoming more measured in the benchmarks

	Areas that featured strongly in 2019
Liveability	Healthy lifestyle, safety, work-life balance
R&D and innovation	VC investment, fintech, sector strengths
Talent and labour market	Digital/tech experts, labour market vitality, depth and breadth of job opportunities for aspiring professionals
Transport and infrastructure	Active transport uptake, future of mobility, smart mobility systems, IoT and AI deployment

These three trends all present a risk to Sydney’s overall performance in the next cycle, particularly because attention is shifting to areas where the city has in the past been slower to adjust (see Table 2). This means that Sydney is appearing outside the global top 20 more than ever before, with more cities successfully adjusting and competing (see Figure 4).

Figure 4: Sydney’s global rank in all the benchmarks in which it appears over the past year



Business and finance



Global firms

Performance: 9/10

Summary

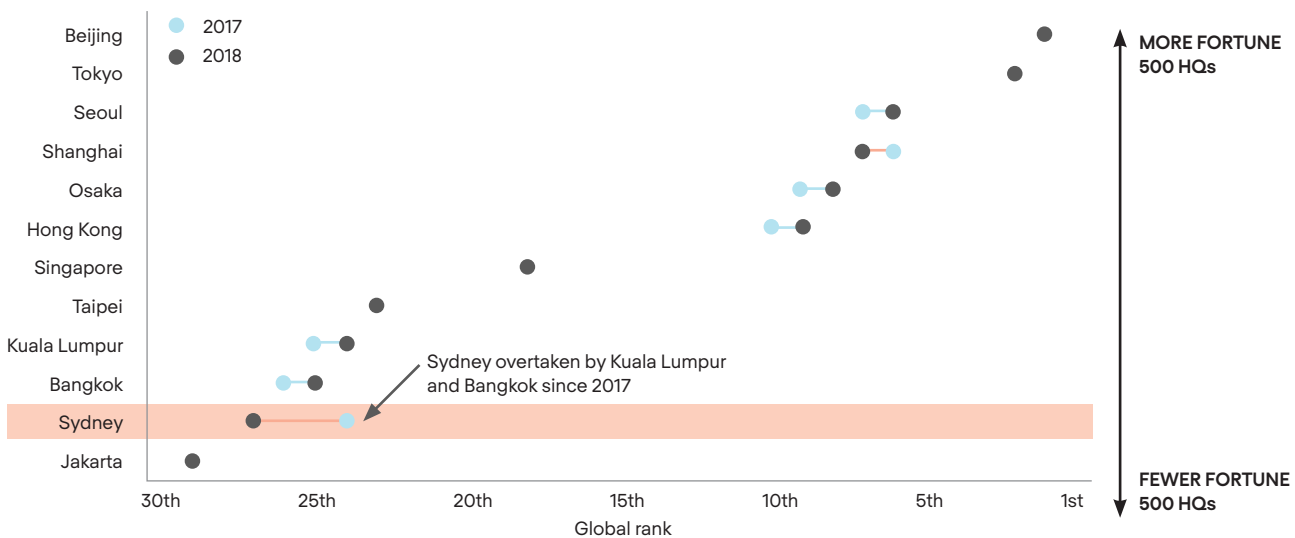
Sydney's regional hub status for business remains very strong and multinationals continue to establish themselves in the city to carry out domestic, Asia-Pacific and global functions. But as more cities globalise, Sydney has slightly lost ground in terms of hosting top global players right across the industry range.



Highlights

Sydney is falling behind other Asia Pacific cities for presence of top global HQs

Figure 5: Year-on-year change in rank for number of Fortune 500 HQs, Sydney relative to other Asia Pacific cities



Source: *Global Power City Index 2018* (p. 228 of full report).

Of the 12 Asia Pacific cities with a critical mass of top global HQ functions, Sydney is one of only 2 cities to have declined since last year, as more cities successfully host companies with global reach. The city has fallen 3 places, from 24th to 27th among 44 global cities, and has been overtaken by Kuala Lumpur and Bangkok. It now ranks 16th among 21 measured peers.¹

Other benchmarks

- Sydney now ranks **7th** globally for the number of linkages its multinational firms have with those in other cities, up 3 places since 2016 and having overtaken Paris, Dubai and Tokyo.²
- Sydney ranks **8th** among its peer group for the market capitalisation of its stock exchanges.³
- Sydney is **13th** among 44 global cities for its concentration of jobs in professional and knowledge industries, ahead of Berlin and Barcelona but behind other Contender cities such as Toronto, Amsterdam and Stockholm.⁴
- Sydney is now in the **top 25** globally in the US\$300bn sector of outsourcing business processes (BPO), rising 44 places since 2017,⁵ reflecting industry preferences for timezone proximity and a growing base of flexible onshore and offshore providers in Sydney.
- Sydney places **76th** for the presence of top global retailers, with only 27% of the 300 identified retailers present in the city.⁶

ANALYSIS

The established presence and global reach of Sydney's major corporates remains a major edge relative to its peers. Linguistic advantages, cultural ties and reliable infrastructure all mean that the city continues to establish and deepen its status as an Asia-Pacific hub.

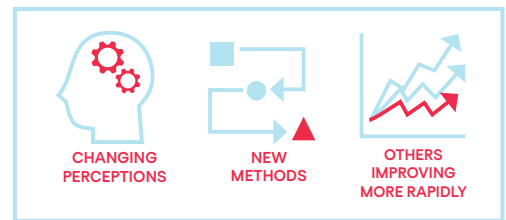
The benchmarks also illustrate that multinationals have a relatively lean presence in Sydney and do not drive or catalyse as many jobs in the wider corporate and services economy as in other cities. There is also room to substantially grow the presence of global players in sectors such as retail, including through some of Greater Sydney's signature projects and expanding metropolitan centres and high streets.

Business friendliness

Performance: 8/10

Summary

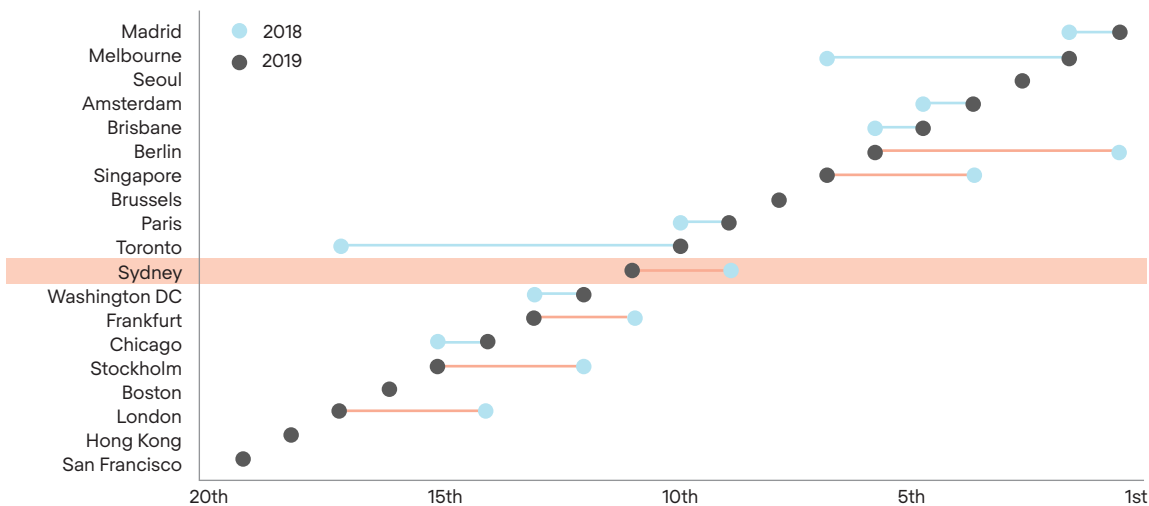
Sydney continues to perform well relative to its peers for political, economic and business openness, and in particular for the stability and regulatory transparency of its economy, but there are emerging signs that others are moving more quickly to enhance their business friendliness. As more audiences and industries are now being consulted, the benchmarks point to business in Sydney facing cost pressures relative to other leading cities.



Highlights

Sydney's construction costs are rising relative to other cities

Figure 6: Construction costs in Sydney relative to peer cities featuring in this year's and last year's edition of the major measure



Source: Arcadis Construction Costs 2019 p. 7.

Sydney has slipped 2 places from 12th to 14th among peers for the costs associated with construction, overtaken by Paris and Toronto to now rank 67th globally. These cost pressures are principally an effect of robust demand for materials, a relative lack of market competition, rising labour costs and increasing supplier prices.⁷

Other benchmarks

- The city ranks **3rd** globally in the latest measure of real estate transparency, narrowly behind London and Los Angeles.⁸
- Sydney is **3rd** for expert's perceptions on corruption, the extent of labour restrictions and the time required to start a business, behind Singapore and Stockholm.⁹
- Sydney ranks in the **top 15** globally for its low political, economic and business risks.¹⁰
- Sydney now has the **4th** highest corporate tax rate among peers (30%).¹¹

ANALYSIS

Overall business climate perceptions are shaped not only by tax rates and regulation but also labour costs and other productivity factors that are influenced by cost of living, market competition and spatial considerations, all of which affect business expansion decisions in Sydney.

As prospective investors, businesses and employers account more for direct and indirect costs of goods and housing, commute times and congestion, this can hold back Sydney's otherwise strong reputation and performance for transparency, fairness and stability.



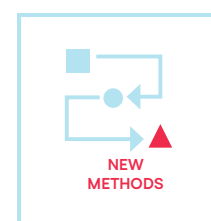
Committee for Sydney event – NSW Government Priorities

Financial services

Performance: 9/10

Summary

Sydney retains its position in the competitive top division of global financial centres, ahead of leading finance hubs such as Zürich and Frankfurt and on a par with Singapore. Its status is buoyed by the growing presence of international financial headquarters in the CBD, its stability within a more unsettled Asia-Pacific region that reassures traders and investors, and growing attention on future fintech prospects, although other cities are also improving rapidly.



Highlights

Sydney performs strongly across all different related industry sectors

Figure 7: Top 15 cities in five different industry sectors

Rank	Banking	Investment Management*	Insurance	Professional Services	Government & Regulatory
1	New York	Hong Kong	New York	New York	New York
2	Hong Kong	New York	London	Hong Kong	London
3	Shanghai	London	Singapore	London	Hong Kong
4	London	Shanghai	Hong Kong	Singapore	San Francisco
5	Beijing	Singapore	Shanghai	Shanghai	Singapore
6	Singapore	Shenzhen	Tokyo	Tokyo	Zürich
7	Tokyo	Beijing	Luxembourg	Toronto	Shanghai
8	Sydney	Toronto	Zürich	Sydney	Luxembourg
9	Shenzhen	Zürich	Los Angeles	Dubai	Sydney
10	San Francisco	San Francisco	San Francisco	Frankfurt	Los Angeles
11	Los Angeles	Copenhagen	Monaco	Zürich	Frankfurt
12	Frankfurt	Luxembourg	Sydney	Beijing	Tokyo
13	Chicago	Boston	Shenzhen	Los Angeles	Seoul
14	Dubai	Stockholm	Chicago	Cayman Islands	Chicago
15	Toronto	Tokyo	Frankfurt	Tel Aviv	Boston

*Sydney ranks 17th in Investment Management

Source: Z/Yen GFCI 26 Ranks and Ratings, September 2019, p. 39.

Sydney is still a leading city for finance

Table 3: Top 20 cities in the 2019 Global Financial Centres Index

Rank	
1st	New York
2nd	London
3rd	Hong Kong
4th	Singapore
5th	Shanghai
6th	Tokyo
7th	Beijing
8th	Dubai
9th	Shenzhen
10th	Sydney
11th	Toronto
12th	San Francisco
13th	Los Angeles
14th	Zurich
15th	Frankfurt
16th	Chicago
17th	Paris
18th	Boston
19th	Melbourne
20th	Montreal

Source: Z/Yen GFCI 27 Ranks and Ratings, September 2019, p. 6.

Sydney places **10th** globally in the most recent edition of the fast-changing index of financial industry strength (both perceived and actual), above Dubai, Boston and Shenzhen. Sydney's performance remains strong across all industries – including **8th** in Banking and Professional Services.¹²

Other benchmarks

- Sydney has the **6th** highest fintech consumer uptake among cities outside Asia. 41.3% of the population regularly use fintech – well ahead of other Contender cities such as Berlin (38%), Boston (34%), and Chicago (30%).¹³
- Sydney ranks **11th** out of 30 top global cities for the number of fintech firms in the city that have received VC investment of over US\$50 million (7), more than in Boston (4), Paris (4) and Seattle (5).¹⁴
- Sydney is **12th** for its overall financial sector development as a result of the breadth and depth of its industry clusters, high availability of capital and high levels of market liquidity relative to other cities.¹⁵
- Sydney is currently **14th** out of 30 top global cities for its fintech regulatory landscape.¹⁶

ANALYSIS

The competitiveness of Sydney's financial sector is impressively stable year and has helped to establish a valuable reputational advantage. Sydney's reputation among global audiences and investors exceeds the performance and global connectedness of its financial industry by a higher magnitude than any of the other global top 20 finance cities except Singapore.¹⁷

The data suggests that Sydney continues to build its credentials as a capital of fintech, with the ecosystem maturing on both the capital and consumer side. Regulation is the area where Sydney does not yet perform as well as its peers, making the work of the new Fintech Consultation Group and the Australian Payment Clearing Association important in ensuring the regulatory environment for market entry and nimble adjustment does not unduly constrain Sydney's specialisation given growing competition in the Asia-Pacific.

Investment attraction

Performance: 8/10

Summary

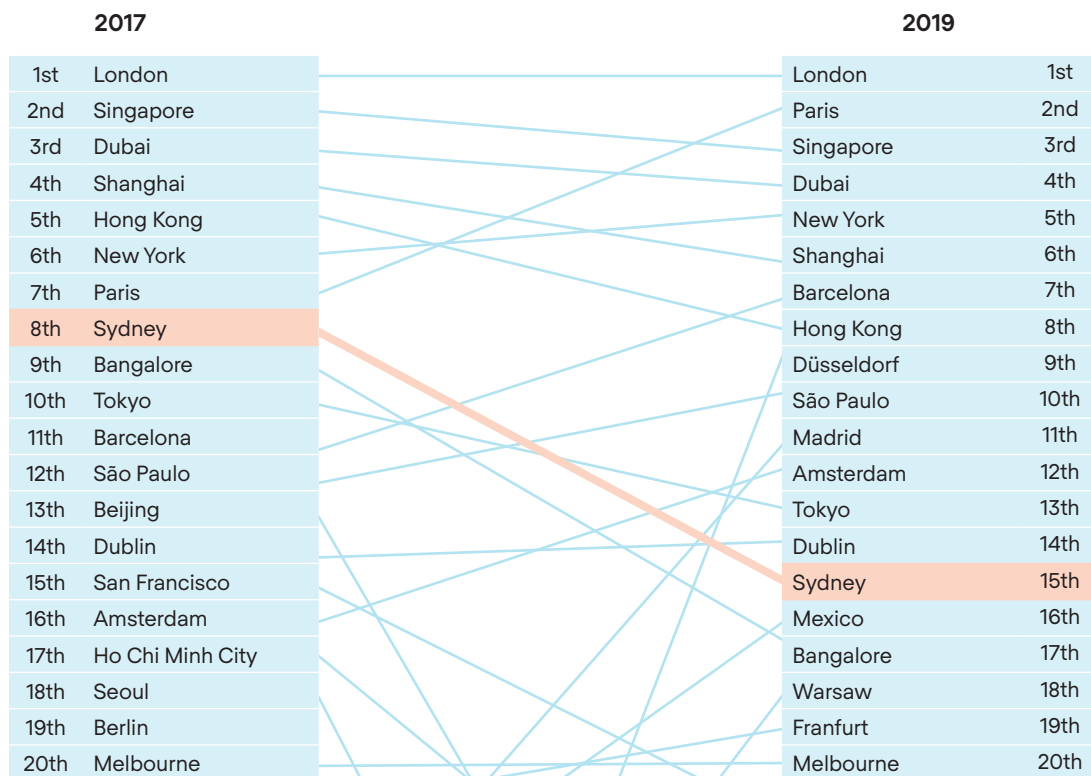
Inward investment levels in Sydney remain buoyant as a result of the city's strategic gateway position, its perceived stability, and high levels of investor confidence in economic fundamentals. But the city's overall investment attraction score has declined slightly after its high point last year, mainly due to greater caution surrounding future prospects among global investor audiences, and fewer job-creating business investments, both in absolute terms but also relative to cities in Asia and Europe.



Highlights

Fewer overseas companies are launching new job-creating operations in Sydney

Figure 8: Change in rank for the number of companies investing in new job-creating facilities in cities from 2017 to 2019



Sources: KPMG Global Investment Monitor 2017 p. 7, KPMG Global Investment Monitor 2019, p. 7.

In the major measure of the number of new companies launching new job-creating activities in cities, Sydney has continued to decline relative to other cities, from **8th** globally in 2017 to **15th** in 2019. This is primarily due to rising competition for HQ functions and R&D centres from cities such as São Paulo and Madrid.¹⁸

Other benchmarks

- Sydney now ranks **10th** globally for the 3-year rolling value of total direct commercial real estate investment, up 5 places since 2017 and now on a par with Boston, Hong Kong and Berlin.¹⁹
- Sydney has slipped slightly to **3rd** place in the Asia-Pacific for perceived outlook of future property investment and development, overtaken by Melbourne for the first time.²⁰
- The city remains **outside the global top 20** for the total number of FDI projects, alongside other Contender peer cities such as Boston, Madrid and San Francisco.²¹

ANALYSIS

Sydney maintains its status as one of the 'Big 4' Asia-Pacific real estate investment markets along with Tokyo, Singapore and Seoul, and continues to punch above its weight for overall corporate investment. The slight decline in Sydney's overall investment score and perceptions is partly due to its point in the cycle and high levels of saturation, but also because more attention is being paid to cities' ability to attract and accommodate investment in multiple asset classes.

Knowledge economy



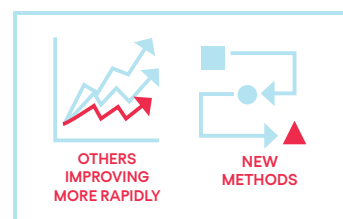
Students graduating at
Western Sydney University
Image source: Western
Sydney University

Talent and labour market

Performance: 8/10

Summary

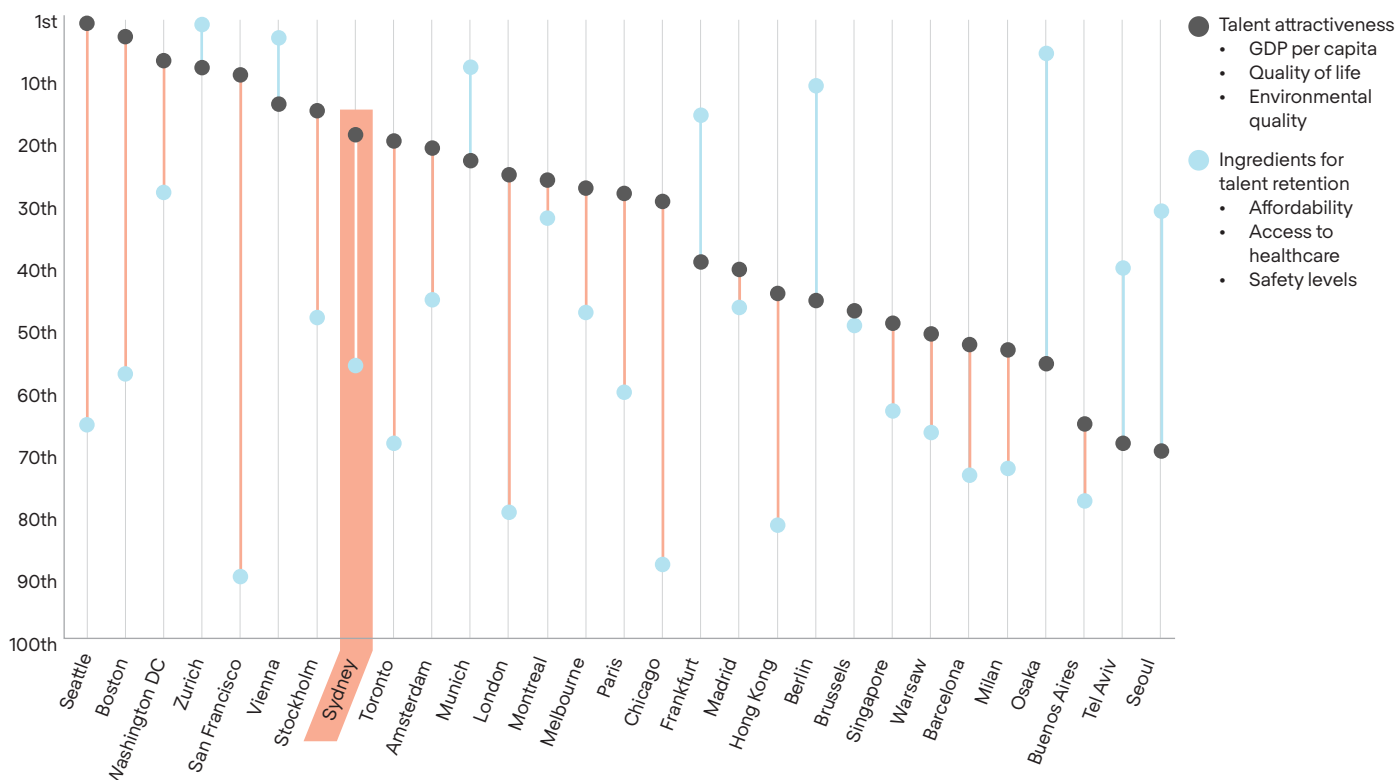
Sydney remains a top 20 city for human capital due to its capacity to attract students and professionals and its buoyant and diversifying labour market, but the city's ability to accommodate and retain a broad spectrum of talent is under strain as other cities have had more success at overcoming affordability and liveability barriers. Sydney's performance is also buoyed by growing attention on youth opportunity and the attractiveness of cities to global remote workers with next-generation skills.



Highlights

Sydney scores well on talent attraction but less well on talent retention

Figure 9: Sydney and peers' global rank in the major measure of talent attractiveness, including its score for the ingredients for talent retention

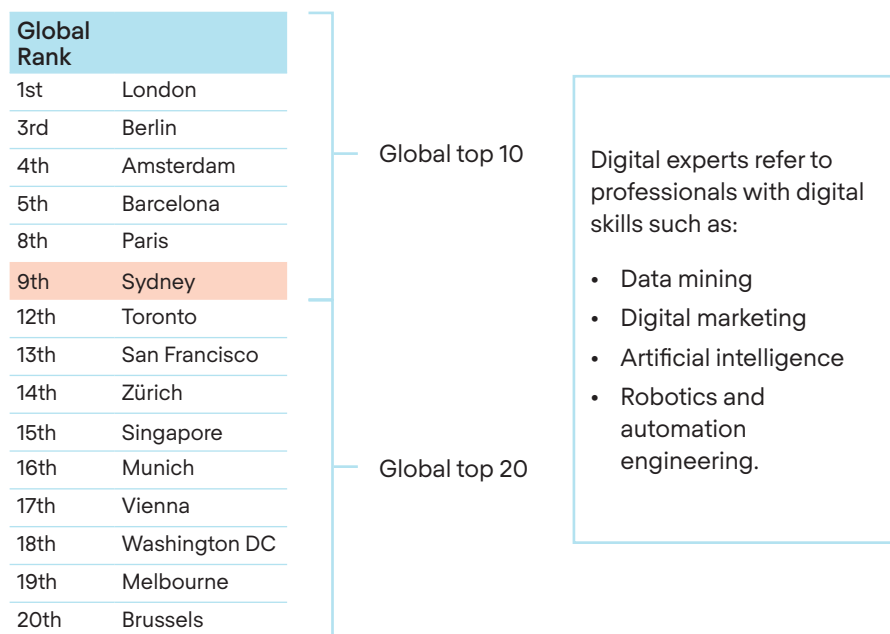


Source: INSEAD Talent Competitiveness Index 2019, p. 94.

In the major measure of overall talent competitiveness, Sydney has been overtaken by Dublin, Madrid and Singapore since last year, and now ranks **26th** – or **17th** among 29 peers. Although Sydney continues to possess the conditions to appeal to talent, including a high per capita income, high perceived quality of life, and a good quality environment (**19th** globally), the city now ranks just **56th** worldwide for ingredients for talent retention. This is mainly due to rising concerns about housing affordability that are driving residents to consider alternative locations to continue their careers.²²

Sydney is perceived as a global top 10 work destination among digital industry experts

Figure 10: Sydney and selected peers' global ranks in a new measure asking digital experts where they would consider moving for work



Source: BCG Decoding Digital Talent, p.6

Sydney is in the global **top 10** in a new survey asking digital workers where they would consider moving to for work – just behind Paris and ahead of San Francisco and Toronto – due to a diversity of workplace options, high-quality working spaces, and high average tech salaries relative to other cities.²³

Other benchmarks

- Sydney ranks **7th** globally for talent concentration, due to its high-quality higher education provision, improvements to the proportion of residents with a degree, high numbers of young, working-age people relative to other cities, and buoyant employment in high-tech industries.²⁴
- Sydney ranks **8th** among 100 global cities for youth opportunity, as a result of low levels of youth unemployment and an increasing number of start-ups.²⁵
- Sydney rates as a global **top 10** city for prospects to grow its talent base in future, as a result of its depth of internationally renowned universities, improving workforce qualifications, and favourable perceptions of Sydney employees about their workplace (in terms of delegation of authority, opportunities to develop, and partnership with other organisations).²⁶
- Sydney is a respectable **10th** among its peer group for its low unemployment rate.²⁷
- Greater Sydney's total workforce has been rising at a rate of around 50,000 a year, and more than 800,000 additional jobs are projected by 2036.²⁸

ANALYSIS

Sydney's future talent trajectory is strong by global standards. Young people come to Sydney with high expectations of work culture and an ability to thrive in professional careers, and the city remains a leader in the Asia-Pacific for its skilled and multi-talented pool of human capital.

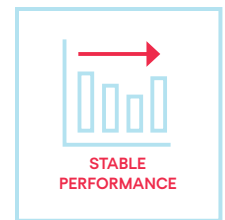
However, affordability now acts as a major brake on Sydney's ability to retain talent, even relative to some of its most expensive peer cities. In the next cycle, ensuring that Sydney's high quality of life and purchasing power are supplemented by more affordable housing, and new and innovative work environments and neighbourhoods that cater to emerging demand will be important conditions for strengthening retention.

Higher education

Performance: 9/10

Summary

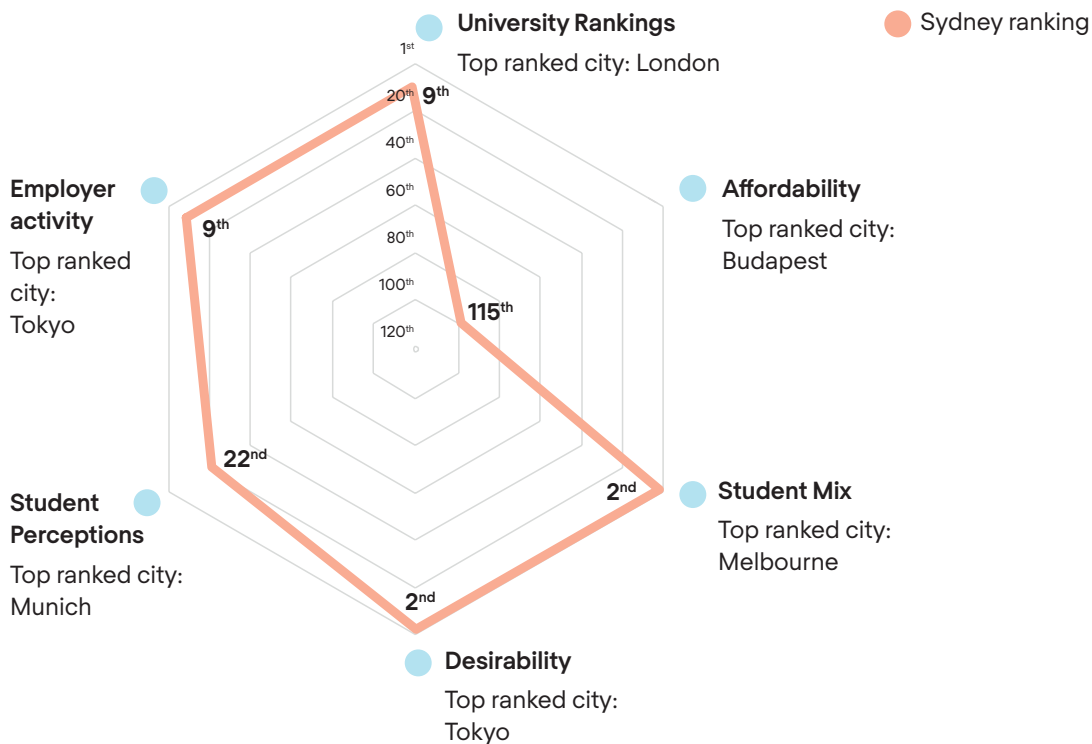
Sydney is currently stable as a top choice for international students and continues to punch well above its weight for top-class universities, student mix and desirability. The main signs in 2019 are that more peers are becoming competitive providers and that the total experience of university life is becoming more competitively scrutinised, with other cities managing to more fully protect student affordability in particular.



Highlights

Sydney is still a leading student city, but affordability is a growing concern

Figure 11: Sydney's student appeal across different pillars, and top ranked cities in each, 2019



Source: QS Best Student Cities 2019.

Sydney maintains its position among the **top 10** cities for student appeal globally, due mainly to strong employer interest in the city's universities (now **9th** globally up from 14th last year), high levels of student desirability (now **2nd**, up from 4th) and a diverse mix of students from different backgrounds (still in the global **top 3**). But this study also highlights that Sydney now ranks **98th** for student affordability (prices of consumer goods and rental affordability).²⁹

Other benchmarks

- Sydney continues to rank **3rd** globally for the number of international students behind London and Paris.³⁰
- Sydney is **15th** among 44 global cities for the number of top-ranked universities (world top 1000).³¹

ANALYSIS

The high costs of consumer goods and student rental living are beginning to act as a brake on Sydney's ability to reach its potential in attracting the full spectrum of students. This is the main reason why Sydney continues to rank behind Zürich, Paris and Montréal. The global higher education sector is becoming more competitive and more Asia Pacific cities are becoming worthy competitors as well as customers. Ongoing innovation in terms of experience, curricula, physical environment and return on investment will be important for Sydney's premier universities in the next cycle.



Innovation and R&D

Performance: 7/10

Summary

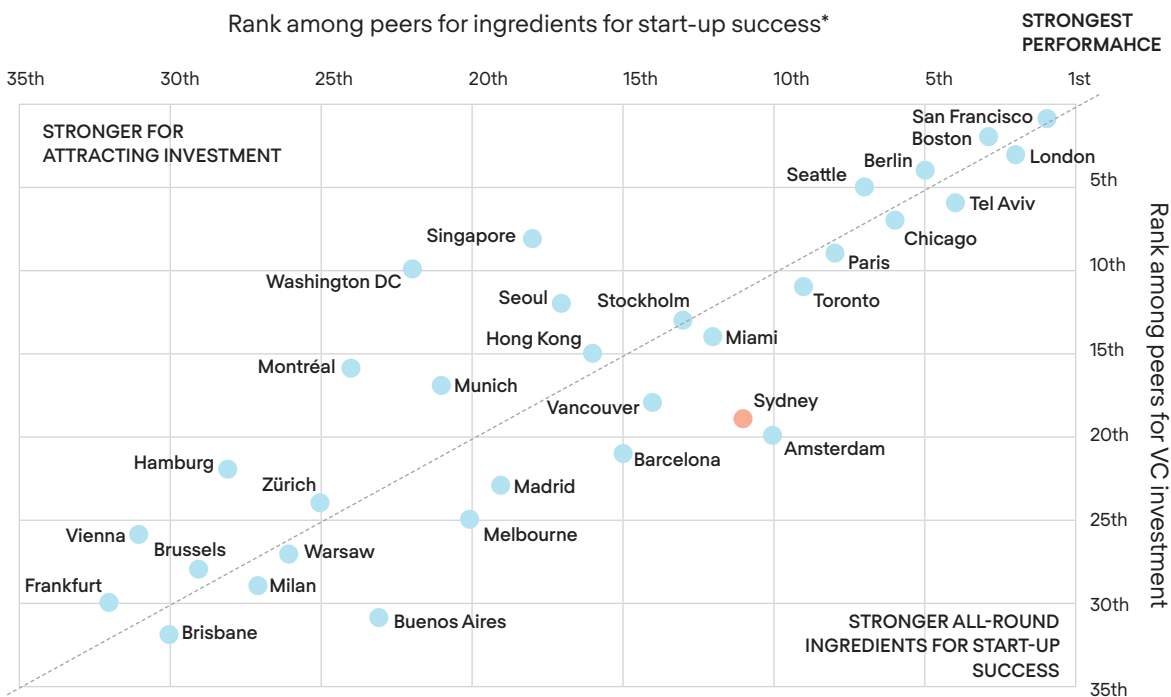
Sydney's overall innovation performance has held steady relative to other cities in 2019, as the city has witnessed an uptick in entrepreneurial activity and interest but declines in VC investment and research impacts relative to other fast-improving cities. Sydney also records mixed scores as attention grows on future digital prospects and science research niches.



Highlights

Sydney has many of the ingredients for start-ups to thrive, but struggles to attract VC investment

Figure 12: Sydney's rank among peers for all-round ingredients for start-up success compared to its rank among peers for VC investment



Sources: StartupBlink Global Ranking of Startup Ecosystems, CAE The Rise of the Global Startup City, p. 68. *Ingredients = Incubators and accelerators, co-working spaces, start-up events, global start-up influencers, researchers and universities, size of customer base, co-working brands, digital literacy rate, technological infrastructure, ease of doing business, bureaucracy, number of start-ups, number of unicorns.

Sydney has improved 6 places to enter the global top 20 in a major study of the overall strength of cities' start-up ecosystems, overtaking Atlanta and Vancouver as its fintech, edtech and medtech clusters grow and as the number of start-ups, start-up events and incubators and accelerators gradually expands.³²

But although the absolute value of venture capital investment has increased significantly (from US\$350m in 2010-12 to USD 1.15bn in 2015-17), Sydney still ranks 20th among its peer group for per capita investment, and has fewer experienced VCs compared to other global ecosystems. This is one reason why the number of high-profile scale-ups is still behind Stockholm and Vancouver – cities where access to risk capital is more established.³³

Other benchmarks

- For the first time, Sydney has entered the global **top 10** in a major ranking measuring overall ecosystem conditions for innovation, including the city's physical and human infrastructure, its innovation and cultural assets, and its networked global market presence.³⁴
- Sydney is the **10th** most likely city to be a future digital leader, partly thanks to its open access to information and high digital literacy rates.³⁵
- The city ranks **16th** globally in a major new measure of innovation hubs, mainly due to a high number of patent applications and high R&D expenditure relative to other cities.³⁶
- Sydney is **19th** for the number of researchers present within the city, down 2 places on last year.³⁷
- Sydney has fallen 7 places to **20th** in the major measure of openness to researchers, which considers research impact, the extent of internationalisation of the city's universities and perceptions of residents and experts about openness to new researchers.³⁸
- Sydney dropped six places to **23rd** in the Global Startup Genome Ecosystem report, partly as a result of increased attention on factors such as enabling physical infrastructure (e.g. broadband speed, transport connections), the strength of entrepreneur networks, and the availability of funding.³⁹
- Sydney ranks **47th** globally in a new measure of the number of published science articles weighted by international collaboration, behind Montréal, Barcelona and Melbourne.⁴⁰

ANALYSIS

Sydney's university and research strengths remain a key advantage, but growing attention on cities' science research also signals an imperative to firmly establish Sydney's position for cutting edge research, particularly in next cycle applications of Artificial Intelligence, the Internet of Things and Machine Learning.

As understanding grows of the wider conditions for innovation ecosystems to thrive, beyond simply business climate and local digital and talent capabilities, Sydney's innovation challenges are being revealed more sharply. These include the need to substantially develop the innovation investment system, the institutional incentives, and accommodate different parts of the innovation economy successfully in concentrated locations.

Lifestyle and environment



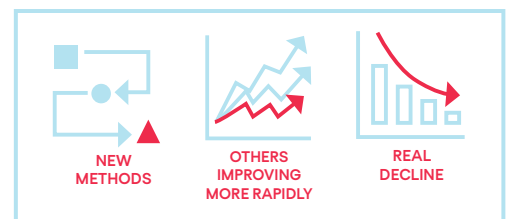
A cable car offering a scenic view of the Blue Mountains to visitors
Image source: Vincent Rivaud

Liveability

Performance: 8/10

Summary

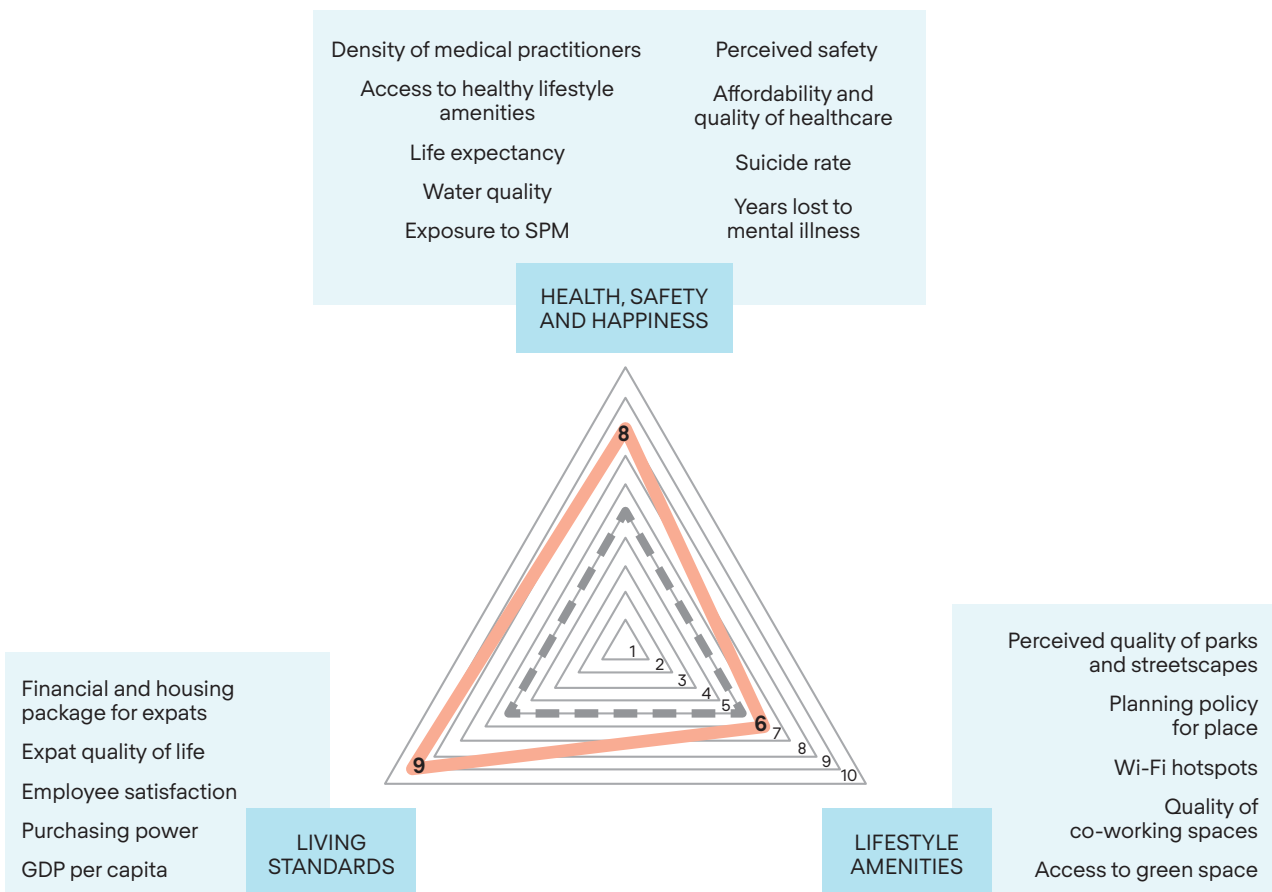
Sydney continues to rate near the top of the global charts for its quality of life fundamentals, primarily as a result of its beach lifestyle, social cohesion, high life expectancy and competitive salaries relative to other top cities. However, increasing costs, together with growing attention on and demand for high amenity lifestyle and street life activation, are eroding the city's liveability edge.



Highlights

Sydney is still a highly liveable city, but is not a leader in terms of urban fabric and amenities

Figure 13: Sydney's performance relative to peers across the different dimensions of liveability



Source: The Business of Cities Research.

Sydney risks falling behind as attention grows on wellbeing, placemaking and amenities

Figure 14: Examples of Sydney's performance across the liveability metrics by category

Theme	Example index	Measures	Global rank	Peer rank
Health, safety and security	Global Power City Index: Risk to mental health	Number of years lost to mental illness, suicide rate	19/44	10/24
	SpotAHome Healthiest Cities	Work-life balance, prevalence of amenities such as gyms or fast food outlets, quality of the natural environment	48/89	21/28
Living standards	EasyPark Smart Cities Index (Living Standards)	GDP per capita, purchasing power, average salary	54/100	15/30
	Mercer Quality of Living Survey	Living practicalities for expats and their families	11/231	6/33
Quality and amenity of place	WSP Global Cities Index (Place)	Extent and embeddedness of planning policy for place	14/24	9/12
	SpotAHome Digital Nomads Index (Café WiFi)	Access to and quality of wireless internet connection in cafés	46/56	23/27

Sources: Mori Memorial Foundation Global Power City Index p. 228, SpotAHome Healthiest Cities, EasyPark Smart Cities Index, Mercer Quality of Living Survey, WSP Global Cities Index, p.102, SpotAHome Digital Nomads Index.

Sydney continues to score impressively in the popular measures of quality of life fundamentals, particularly those analysing safety, living standards (including salaries), and happiness. Where Sydney scores less well is for new cultural amenities and attractions, the majority of which are concentrated in the established eastern city despite new investments in Bankwest Stadium, the Powerhouse Precinct and Sydney Olympic Park.

As more measures that reflect Greater Sydney's dispersed spatial form come online, the metropolis also records mixed scores in new measures of residents' ability to lead healthy lifestyles (e.g. access to gyms, parks, yoga studios), the availability of mental health support, the quality of co-working and co-living spaces, and the embeddedness of place in city and state level planning policies.

Other benchmarks

- Sydney has dropped 4 places to **14th** in the major measure of employee life satisfaction, having been overtaken by Vienna, Geneva and Frankfurt.⁴¹
- Sydney has risen 2 places to **3rd** in the major annual measure of liveability, mainly thanks to an improvement in the city's scores for climate, comfort and openness. Sydney is the only city in the top ten to have improved.⁴²
- Sydney is **16th** for the quality and affordability of its healthcare system.⁴³
- Sydney rates **16th** globally for the average quality of co-working spaces according to crowdsourced review score data, or 10th among peers.⁴⁴
- The city now ranks **17th** in the major measure of the perceived quality of parks, streetscapes and outdoor spaces in the city, down from 7th in 2018.⁴⁵
- Sydney ranks **21st** globally (6th out of 23 peers) in the latest measure assessing the best cities for expats, due to its welcoming culture, ease of settling in, high levels of expat personal satisfaction, and the financial and housing package.⁴⁶
- Sydney is just **outside the global top 20** (21st) in a new measure of average annual exposure to suspended particulate matter (PM 2.5), or 10th among the 19 measured peers.⁴⁷
- The city ranks **outside the global top 50** for work-life balance, and **65th** for the number of annual vacation days, which is lower than in many other peer cities.⁴⁸

ANALYSIS

Sydney has achieved some high profile successes in 2019 that attest to its enduring and imitable lifestyle. Yet peer cities have in the past year had more success at maintaining lower living costs while also significantly expanding their cultural and lifestyle offer – particularly smaller European cities. The gaps in access to Sydney's cultural amenities, and lower scores for job satisfaction and the quality of public spaces, are becoming a competitive and a lifestyle disadvantage. Sydney's rising affordability pressures are also starting to impact upon residents' levels of happiness and contentment relative to other cities where these trends are more stable or positive.

Wages and costs

Performance: 5/10

Summary

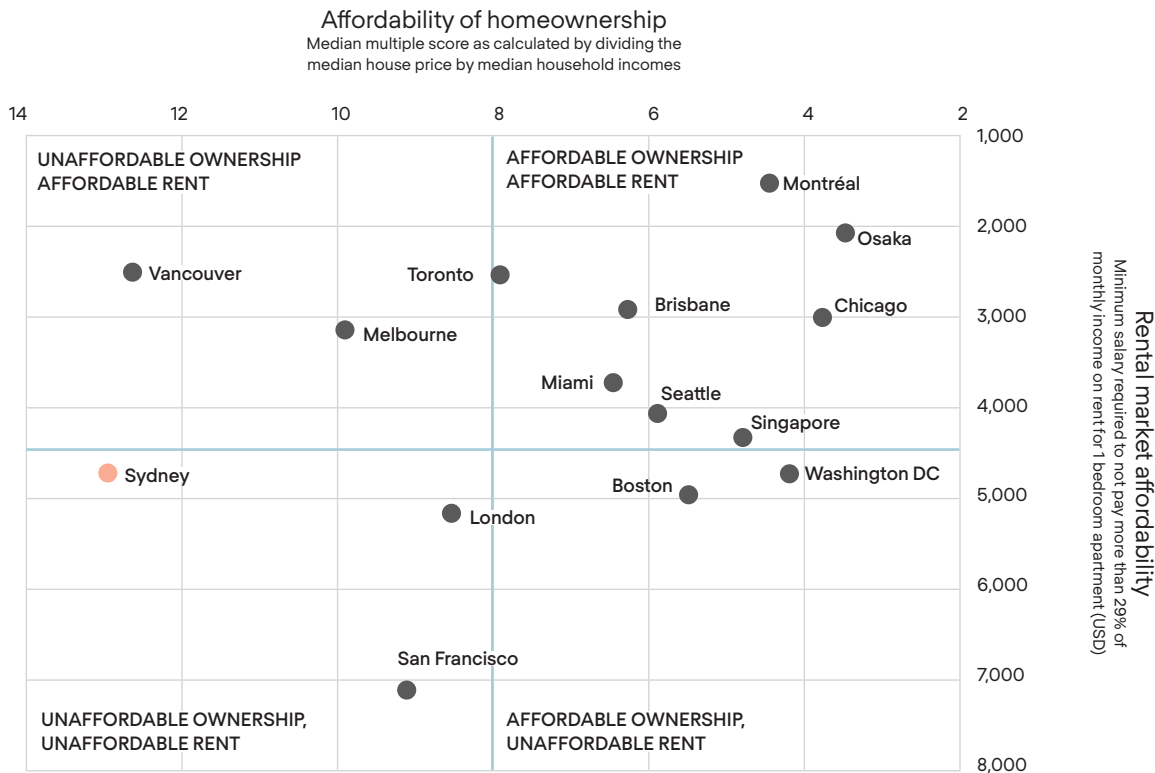
In 2019, Sydney remains an affluent but highly unaffordable city even against many elite global cities. Sydneysiders enjoy high wages and relatively high purchasing power for goods and services, but even with the recent correction, housing and rental costs make the city one of the most expensive to live in and act as a deterrent to a number of audiences and markets.



Highlights

Sydney's housing and rental markets are severely unaffordable, even by global standards

Figure 15: Sydney's median multiple and rental affordability relative to other English-speaking peer cities



Sources: 14th Annual Demographia International Housing Affordability Survey: 2018, p.55, Nestpick Furnished Apartment Index.

Sydney continues to rank among the **top 10** cities in its peer group for purchasing power, but the home ownership and rental market remain less affordable to access than most other global cities. With a median house price that is more than 12 times higher than the median household income, the city is among the **top 3 least affordable** housing markets measured in the world along with Hong Kong and Vancouver, and the data on minimum salary required to comfortably afford rent for an unfurnished one-bedroom apartment is higher than in all other English-speaking peer cities except for San Francisco, London, Boston and Washington DC.⁴⁹

Other benchmarks

- Sydney ranks **11th** among its peer group for median tech salary (for a software engineer).⁵⁰
- The city is now the **50th** most expensive city globally for an expat basket of goods – a big improvement from the **29th** most expensive in 2018 due to dollar depreciation.⁵¹
- Sydney is the **9th** most expensive central city property market – at current prices a skilled knowledge worker would need to work nearly 10 years to be able to buy a small inner city flat.⁵²
- Sydney has the **7th** most expensive average price of a one-bedroom apartment among 56 global cities (the most expensive of all measured peers except London, Hong Kong and San Francisco).⁵³
- In 2018, just 2% of available dwellings for rent in Greater Sydney were affordable for households on very low incomes, with an additional 22% affordable for households on low incomes.⁵⁴

ANALYSIS

Relative to other cities the cost equation in Sydney remains favourable for upper income workers, but there is a wider challenge to support the drivers of future productivity growth across the city.

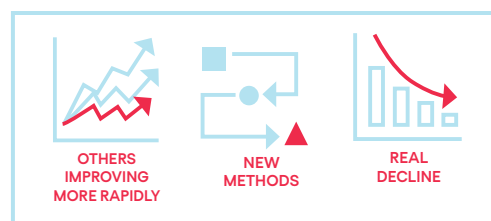
The last 5 years of house price and cost inflation has seen a noticeable impact on Sydney's global reputation for, and ability to, attract and retain certain kinds of talent. It remains to be seen how much the recent price downturn and depreciation of the dollar will affect the relative appetites of early and mid-career professionals, key workers and students. Greater Sydney Commission targets for districts and councils have created more certainty about longer-term supply, but as in other global cities, it will be important that future supply is consistent and diversifies the mix and tenure of homes in the most strategic locations across the Three Cities.

Sustainability

Performance: 6/10

Summary

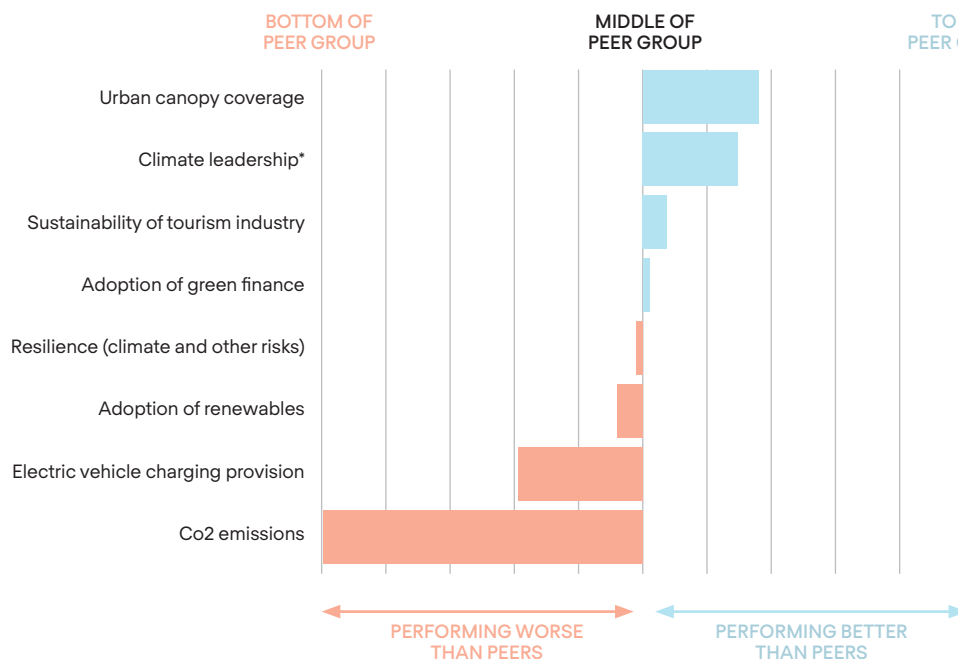
Sydney's sustainability both relative to other top cities, and in some cases in absolute terms, is falling, particularly as other cities make more rapid progress to build sustainability and resilience into the urban fabric, mitigate emissions, and encourage uptake of renewable energy. Sydney's carbon intensive growth model is becoming more conspicuous and the city is falling behind for the adoption and mainstreaming of green urban policies as attention grows on these issues.



Highlights

Metropolitan Sydney excels for urban greenery but is falling behind for sustainable systems and behaviour

Figure 16*: Sydney's performance compared to peers across the different sustainability metrics



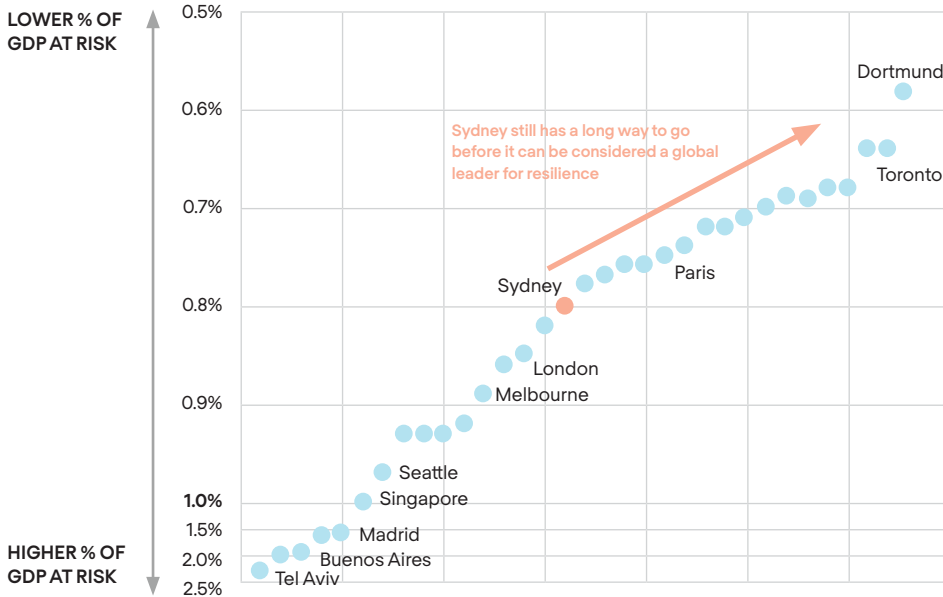
*Sydney has scored high for climate leadership based in large part on measures taken by the City of Sydney and because international metrics have not judged the city as responsible for national climate policy, where Australia ranks more poorly. This metric also does not take into account exports from the state of NSW more broadly, and as such does not capture the emissions associated with coal that is sent abroad.

Sources: MIT Green Cities Index (urban canopy coverage), Mori Memorial Foundation Global Power City Index (climate leadership, adoption of renewables, CO₂ emissions), ICCA et al. Global Destination Sustainability Index (sustainability of tourism industry), Z-Yen Global Green Finance Index, p.16 (adoption of green finance), RS Components Best Cities for Tech Enthusiasts (electric vehicle charging provision), Lloyd's City Risk Index (climate resilience).

Sydney rates in the middle of the pack for resilience to climate change and other risks. The percentage of GDP at risk of threat from potential human and natural disasters sees Sydney rank **46th** least at risk globally, on a par with other coastal cities such as Boston and Amsterdam, firmly in the middle of the pack relative to its wider peer group.⁵⁵ Despite Greater Sydney's total tree canopy cover being above 20%, nearly a quarter of the population is exposed to the threat of high urban heat, with up to half of the population now at risk in certain areas (the Western City region) as climate change has intensified.⁵⁶ The city performs worse for the adoption of renewable energy sources, electric vehicle provision, and CO₂ emissions relative to its peers.

Sydney is in the middle of the pack for resilience

Figure 17: Sydney's resilience compared to peers, measured by the proportion of GDP at risk



Source: Lloyd's City Risk Index 2018.

Other benchmarks

- Sydney rates **12th** out of 23 peers for uptake of green finance.⁵⁷
- Sydney is **25th** out of 44 global cities for uptake of renewable energy.⁵⁸
- The City of Sydney rates **3rd** in its peer group for the adherence of hotel and convention industry firms and associations to sustainability targets and initiatives.⁵⁹
- Sydney ranks bottom of its peer group, or **39th** out of 44 global cities, for CO₂ emissions. Across Greater Sydney, each resident emits the equivalent of 10.7 tonnes of CO₂ - still far higher than in London (4.7 tonnes) or Singapore (8.5 tonnes).⁶⁰

ANALYSIS

In the past, Sydney's inherited low-density development model has seen it benefit from measures of green development that focus on canopy coverage and volume of green space.

In the current cycle, as climate change intensifies and public attention switches more towards how successfully cities can get sustainable urban policies off the ground, Sydney's disadvantages relative to its peers are being exposed, and there are greater imperatives to demonstrate global leadership on agendas such as green finance, sustainable mobility, and renewable energy. As more mobile asset allocators pay attention to sustainability and future proofed systems, this is becoming a competitive as well as environmental concern for Sydney.

Transport and infrastructure

Performance: 3/10

Summary

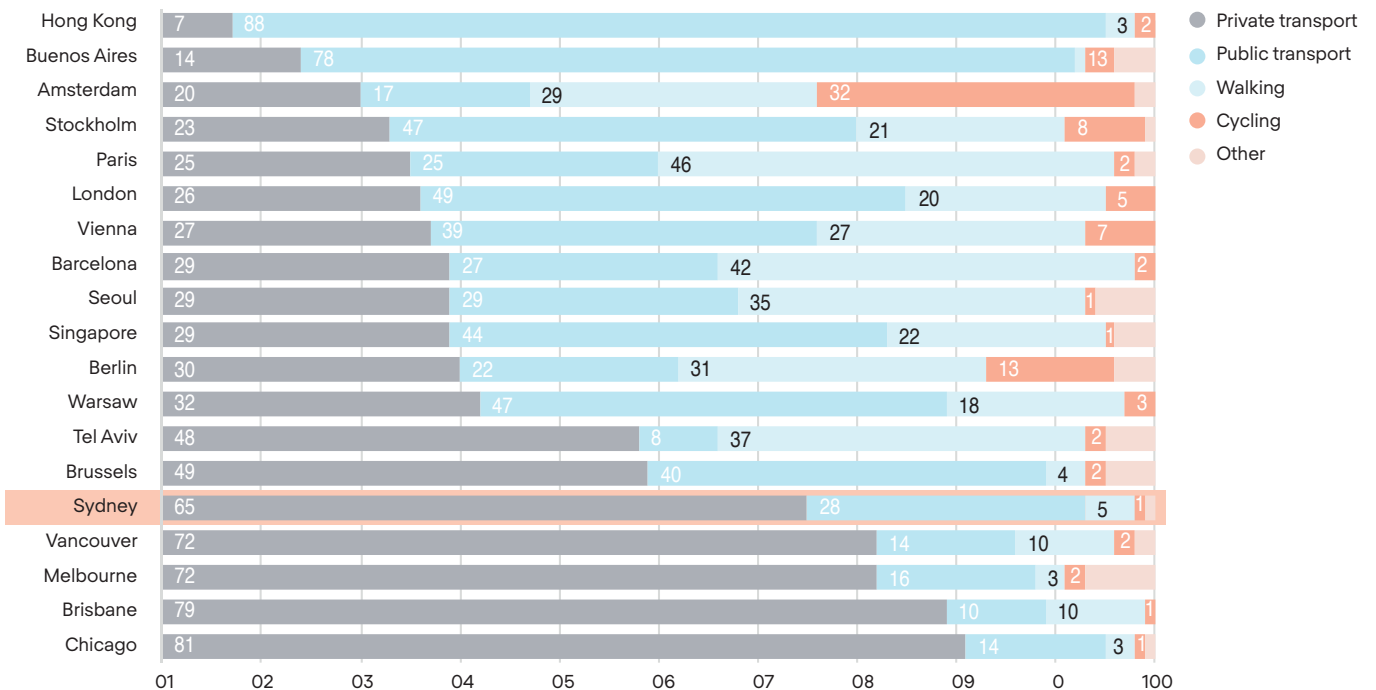
As other global metropolises adopt more ambitious mobility policies, Sydney's car reliance is becoming more exposed by new global benchmarks of congestion, pollution, public transport and active mobility. Sydney's cycle of catch-up infrastructure has not yet been taken into account in the indices and will likely start to register in the next 2-5 years.



Highlights

Sydney is highly car dependent relative to other cities

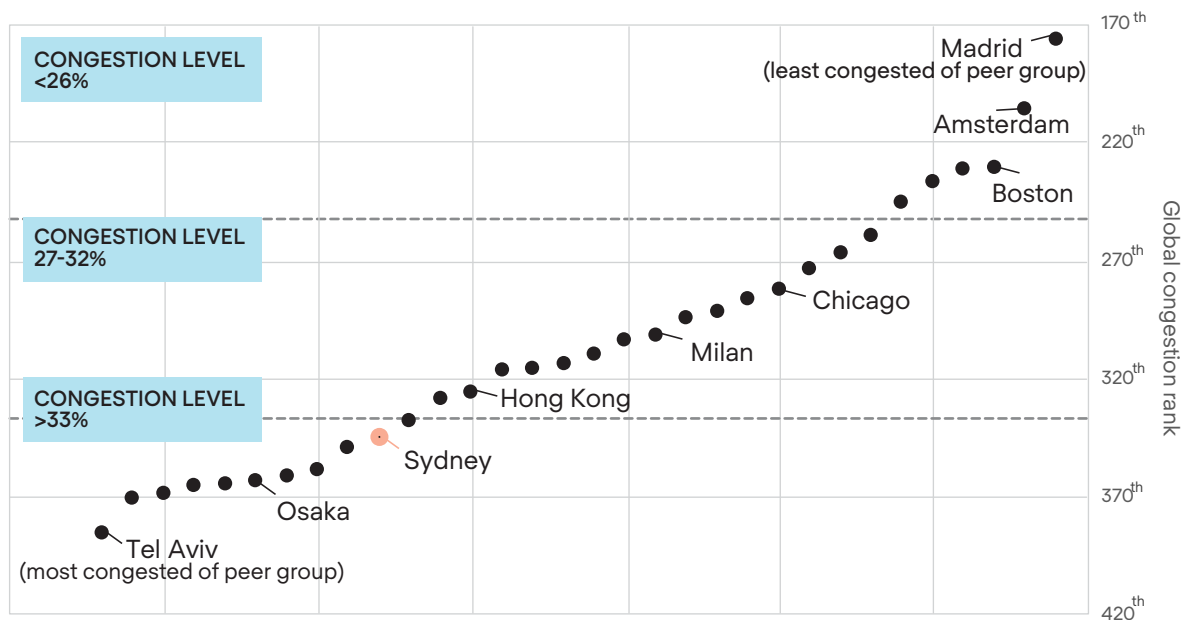
Figure 18: Sydney's modal split relative to selected peer cities



Sources: Sydney data taken directly from Pulse of Greater Sydney Dashboard (2016 data). All other cities' data sourced from the Deloitte Future of Mobility study.

Sydney is among the 15% most congested cities globally

Figure 19: Sydney and its peer cities by congestion level



Source: TomTom Global Traffic Index 2018.

Sydney has the **5th highest** reliance on private transport among its measured peers, with cars accounting for 65% of all trips to work within Greater Sydney.⁶¹ In contrast, Sydney's public transport ridership is still low overall. According to one of the world's leading traffic indices, Sydney now ranks as the **60th** most congested of 404 cities, on a par with larger cities such as Buenos Aires and Paris, and also with heavily congested medium sized cities such as Brussels. Congestion in Sydney is such that the average peak travel delay has risen to 34% of the uninterrupted journey time, and is partly due to other cities having been quicker to take bold decisions on discouraging or disincentivising car use.⁶²

Other benchmarks

- The city ranks **18th** out of 24 peers in a measure that assesses the frequency of public transport services in peak times and resident perceptions of public transport availability.⁶³ Indeed less than two thirds of homes across Greater Sydney have access to a timetabled public transport service that gets them to a metropolitan centre or jobs cluster within 30 minutes during morning peak times.⁶⁴
- Sydney is **second to last in its peer group** for citizen satisfaction with the convenience of the daily commute, ahead only of Buenos Aires.⁶⁵
- Sydney ranks **bottom of its peer group** in a new study of how quickly cities are adopting emerging technologies to strengthen regulation and incentivise public transport uptake.⁶⁶
- Sydney is **13th** out of 28 peers for overall bicycle friendliness. It scores reasonably for the share of residents that regularly use a bicycle (**29th**), less well for provision of dedicated cycling infrastructure (**59th**), and poorly for uptake of bike-sharing services (**2nd last** among peers).⁶⁷
- On digital infrastructure, Sydney ranks **4th** among peers for the average strength of its 4G signal.⁶⁸
- The city rates **29th** out of 120 cities globally for the number of free, publicly accessible Wi-Fi hotspots.⁶⁹
- Sydney places **22nd** among 32 peers in a major measure of average broadband speed.⁷⁰

ANALYSIS

Although Sydney is undergoing a substantial cycle of investment in the public transport system and a major restructuring of transport delivery, Sydney's peers are also making rapid progress. Meanwhile public transport investment currently co-exists with a high relative level of funding for road infrastructure. In the next cycle, the combined effect of the expansion of light rail, Sydney Metro, the redevelopment of Central Station and the Northern Beaches Bus Rapid Transit, can help to increase public transport ridership towards a level consistent with other leading global cities, as can consistent funding and vision from local and state governments. The integration of systems and bolder use of technology – which the Future Transport Plan and the Greater Sydney Region Plan both promise – can help make the city's mobility system more future proof compared to other global cities.

But the effect of the arrival of this new infrastructure on Sydney's recorded performance may take time to register, and teething pains of new systems may also impact on external perceptions. Other cities may also continue to move ahead with smart and active transport supply and demand. As the scrutiny rises, the imperative for even more proactive policy and continual investment becomes even more urgent. The risk is that Sydney's reputation for congestion and inefficiency overshadows its appeal as a productive and attractive city in which to live and work.

Culture and destination appeal



Opera in the Domain hosted
by Sydney Festival
Image source: Sydney Festival

Culture and diversity

Performance: 7/10

Summary

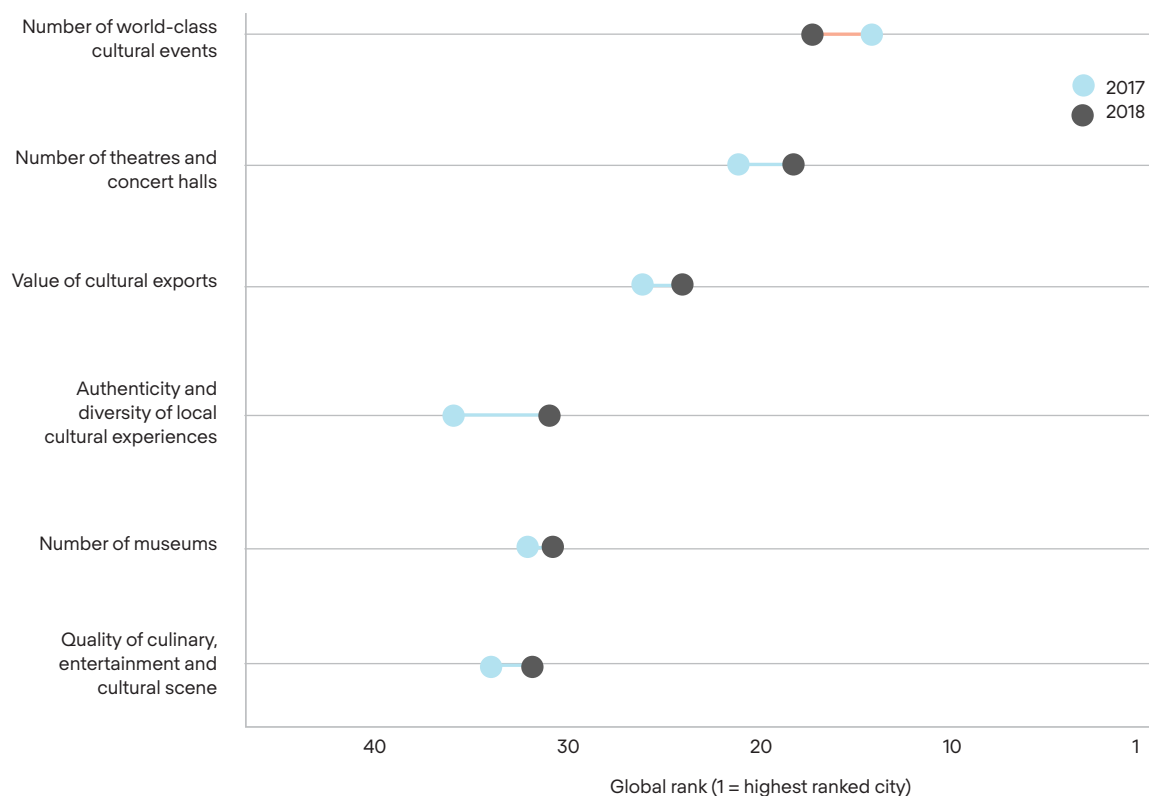
Sydney performs very well for cultural consumption and celebration in 2019 but other cities are making faster progress than Sydney at strengthening their cultural offer, increasing investment in their creative and cultural industries, and accelerating LGBTI inclusion as attention on these themes becomes more prominent.



Highlights

Sydney's cultural scene is dynamic and diversifying, but other cities retain more cultural breadth

Figure 20: Sydney's year-on-year change in the repeat measures of culture

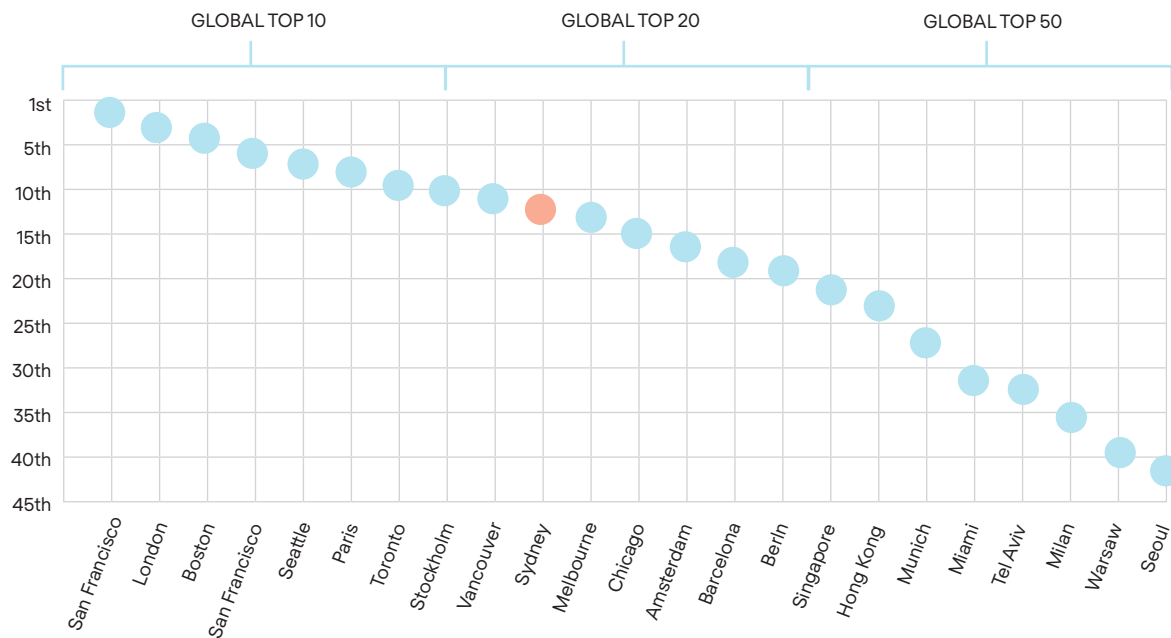


Sources: Global Power City Index 2018, p.228. Resonance World's Best Cities 2019, p.28.

Despite absolute improvements in multiple measures, Sydney is still behind for the number and perceived quality of cultural amenities such as museums, theatres, and concert halls, and for the availability of varied and authentic cultural events that enable visitors to appreciate and experience local heritage and culture. Other cities are also competing very successfully to attract or establish globally significant cultural events.

Sydney maintains its strong position for ability to foster women's entrepreneurship

Figure 21: Sydney and peers' global rank in the major study of conditions for growth of women-owned businesses



Source: Dell Women Entrepreneur Cities Index, p. 11.

Sydney has also maintained its position just outside the global **top 10** in the major study of cities' ability to foster growth of women-owned businesses, scoring particularly well for policies, senior female role models, and organisation promoting women's equality.⁷¹ Greater Sydney is still part of a minority of top metropolitan areas that have companies where women compose at least 25% of board appointments.⁷²

Other benchmarks

- Sydney ranks **29th** out of 44 cities for the perceived ease of pursuing a career in the creative industries.⁷³
- Sydney is **5th** globally for the ease of recruiting top female talent, due to its large pool of women with a business management background and entrepreneurial aspirations.⁷⁴
- Sydney ranks **7th** globally for the percentage of start-ups founded by women – joint **2nd** among peers behind Chicago – but scores less well for the percentage of VC funding received by firms with more than 25% female executives, and for the number of VC firms with more than 20% female partners.⁷⁵
- Sydney records **top 25** performances for the perceived vibrancy of the LGBT dating scene (**19th**), LGBT nightlife (**24th**) and the openness of citizens to LGBT people (**23rd**).⁷⁶
- Sydney now places **35th** for the media reach of its fashion industry, down 1 place on 2017 and behind Frankfurt, Washington DC and Buenos Aires.⁷⁷
- Sydney ranks lower for the per capita prevalence of hate crime and discrimination (**48th**) and for formalised LGBT rights such as rights for same-sex marriage and adoption, military service and gender switching (**64th**).⁷⁸

ANALYSIS

Sydney's accumulated global reach and high levels of visitation mean that the city performs well in demographic and lifestyle dimensions of culture, but relative to the most culturally influential and productive cities, Sydney is still behind, and has had more limited success at fostering an environment for creatives and artists to thrive. While the overall cultural talent pool in the metropolis has been fairly stable, it has grown quite rapidly in other leading global cities, many of which are also at a more advanced stage of efforts to accommodate cultural workers nearer the metropolitan core.

Sydney has a strong opportunity to demonstrate leadership in the areas of gender inclusion and diversification of economic opportunity. As these areas become more widely understood and more sought after, Sydney is well placed to benefit from its diverse and open labour market relative to other cities.

Visitor and destination

Performance: 7/10

Summary

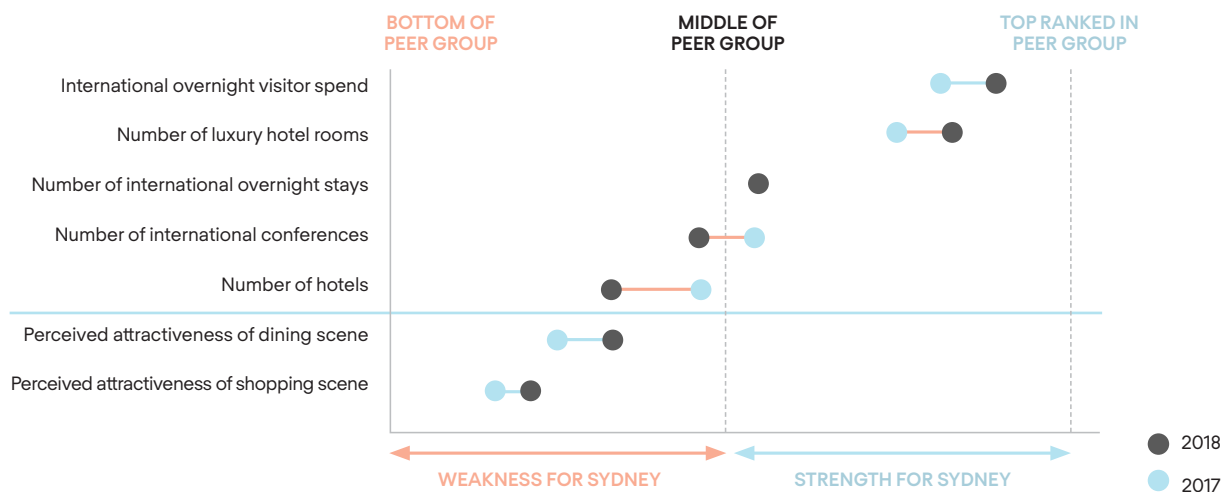
In 2019, Sydney's visitor economy continues to benefit from large flows of high-spending international visitors compared to other cities, and an expanding concentration of high-end visitor assets such as luxury hotels. But the city's reputation for fun, and its ability to attract younger demographics, continues to decline.



Highlights

Perceptions of Sydney's visitor economy are well behind real performance

Figure 22: Sydney's year-on-year score relative to peers in the performance measures of visitor numbers and assets compared to its year-on-year score in measures of perceived visitor appeal



Sources: Global Power City Index 2018, p. 228, Mastercard Destination Cities Index 2018, Euromonitor Top Destinations 2018, p.23, TimeOut Best Cities 2019.

The number of young international visitors to Sydney is growing slower than other demographics and domestic visitors to Sydney are rarely coming for the nightlife

Figure 23: Year-on-year growth in number of international visitors by age group

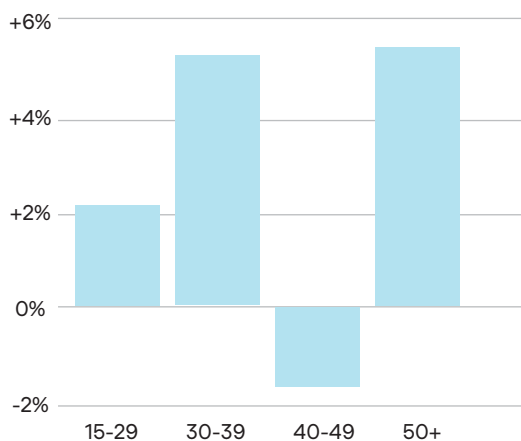
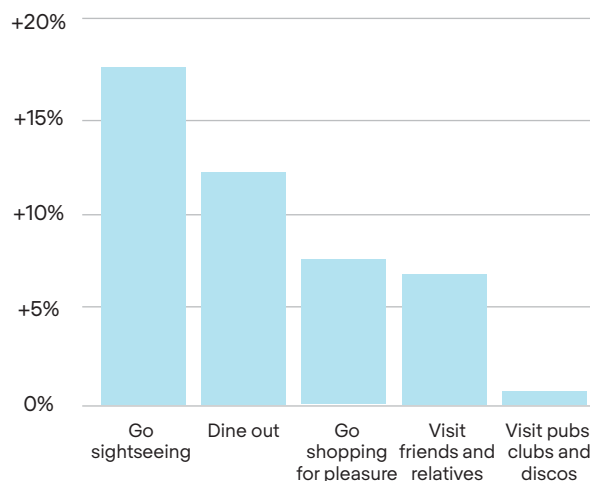


Figure 24: Year-on-year growth in number of domestic visitors by key reason for visit, top 5 reasons



Source: Destination NSW Travel to Sydney Snapshot December 2018, p. 2, p. 4.

Sydney’s visitor economy continues to grow its annual volume of visitors faster than other cities and raise its concentration of visitor assets, but perceptions of both locals and global audiences have fallen behind. On the performance side, Sydney is still one of only 7 peer cities in the **top 20** globally by overnight international visitor spend,⁷⁹ alongside Miami and Barcelona, and has held steady in the **top 3** cities in the Southern Hemisphere for the number of overnight arrivals of international tourists (just outside the global **top 50**).⁸⁰

Sydney’s cycle of international visitor growth remains very strong, at 7% year on year. However, appeal among younger visitors is relatively flat – international visitors aged 15-29 rose by only 2.1%, compared to 5.5% for those aged 50+. Meanwhile the number of domestic tourists citing Sydney’s nightlife offer as a key reason for visiting experienced by far the lowest increase, compared to 12% for eating out and 18% for sightseeing.⁸¹

Other benchmarks

- The city is now **11th** for the number of available 5-star hotel rooms, up from 15th in 2018.⁸²
- Sydney places a surprisingly low **16th** of 24 peers for external perceptions of its dining scene.⁸³
- The city now ranks **16th** among 24 measured peers for the number of hotels, a drop of two places on last year, as the CBD has become more mixed use.⁸⁴
- Sydney is ranked joint **26th** among its 33 peers for its publicly evaluated “fun rating”, on a par with cities that have previously struggled to capture the global imagination of what it means to be “fun”, such as Vienna, Vancouver and Seattle.⁸⁵
- Sydney places **39th** out of 48 cities (14th among 16 peers) in TimeOut’s latest global perception survey of the “best” cities, and was the worst rated city for nightlife, based on the views of over 30,000 city residents and a global network of editors and cultural commentators.⁸⁶

ANALYSIS

Sydney’s approach to driving visitor bed nights remains highly effective but there are signs that its constrained night-time economy is beginning to impact on the breadth of the city’s reputation among different audiences – particularly its appeal to younger demographics.

Efforts to improve night-time safety in the city centre have started to impact on the number of people visiting Sydney to go to clubs and bars, which is in turn beginning to erode the city’s overall reputation as a place to go out and have fun. There are also signs that the limited night-time economy is beginning to impact on external perceptions of the city’s hard-won food scene reputation. Recent announcements from the NSW Government and reviews of the health of the night-time-economy suggest a sensible way to revitalise this sector.

Image, brand and influence

Performance: 10/10

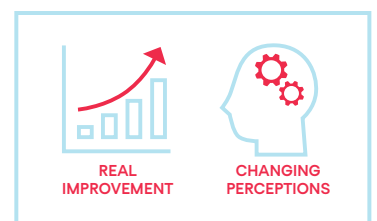
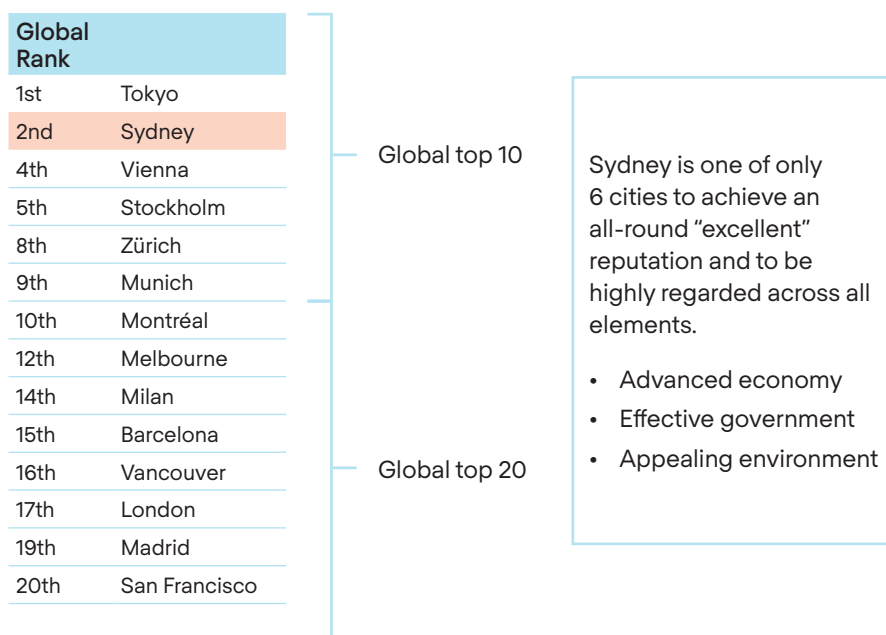
Summary

Sydney has re-entered the very top echelons for its global reputation, primarily because of improving perceptions among international visitor and investor audiences.

Highlights

Sydney remains the second most admired city in the world

Figure 25. Sydney's global reputation and selected top 20 peers



Source: Reputation Institute 2018 City Reprtrak ranking August 2018, p.27

Sydney is still 2nd globally behind Tokyo in the largest global citizen perception study of which cities inspire admiration and confidence in terms of their beauty, safety, security and leadership.⁸⁷

Other benchmarks

- Sydney remains **5th** in a leading survey of the world's most inspiring and attractive cities to visit. It is one of only 8 peer cities to feature in the global top 20.⁸⁸
- Sydney's investor brand is still the **12th** most appealing globally, based on the largest image survey of 500 international investors, on par with Madrid and Toronto.⁸⁹
- The city ranks **19th** globally for cities' online presence on Twitter, Google and Wikipedia – just outside the top 10 in its peer group – ahead of larger cities such as Hong Kong and Seoul and influential capitals such as Washington DC⁹⁰
- Sydney has held steady among the global **top 30**, or in the top half of its peer group, for the volume of stories, references and recommendations shared online, including on Trip Advisor and Instagram.⁹¹

ANALYSIS

Sydney continues to perform very well relative to other cities in both the new and repeat measures of online visibility, curiosity and appeal, and its image among investment allocators appears resilient. Its unique DNA and inherited cultural diversity – built-up over successive cycles of settlement, immigration and integration – gives it an accumulated global recognition.

The last 12 months of measures have not addressed Sydney's wider business brand, soft power, or its reputation as a location for high-calibre careers. Most evidence points to global perceptions of Sydney's distinctive neighbourhoods, its profound heritage and culture of enterprise continuing to be overshadowed by its visitable icons and natural beauty.⁹² The hard work to establish a more coordinated focus on Sydney's core identity and reputation remains an essential part of the journey towards developing a more mature and integrated story that includes innovation, placemaking, global leadership and civic participation.

Endnotes

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Innovation Fund Partners



We would like to thank our Innovation Fund Partners for their support of this report and for their broader sponsorship of the Committee for Sydney's research.

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We are proud to welcome our inaugural Innovation Fund Partners, Dexus and ICC Sydney.

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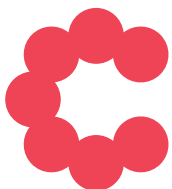
With over 150 member organisations, we work on behalf of Sydney, not the interest of any industry or sector. Our goal is to build on our already strong history of shining a light on critical issues shaping our city and developing a suite of actions for a better future.

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dexus

ICC SYDNEY






Committee
for
Sydney

Keep in touch

Committee for Sydney
Level 27
680 George Street
Sydney NSW 2000

sydney.org.au

 @Committee4Syd
 committee@sydney.org.au
 +61 2 9927 5611