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Developing Regional Australia: Cycles of Interest, Possibilities and Strategies

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Regional Co-operation and Development
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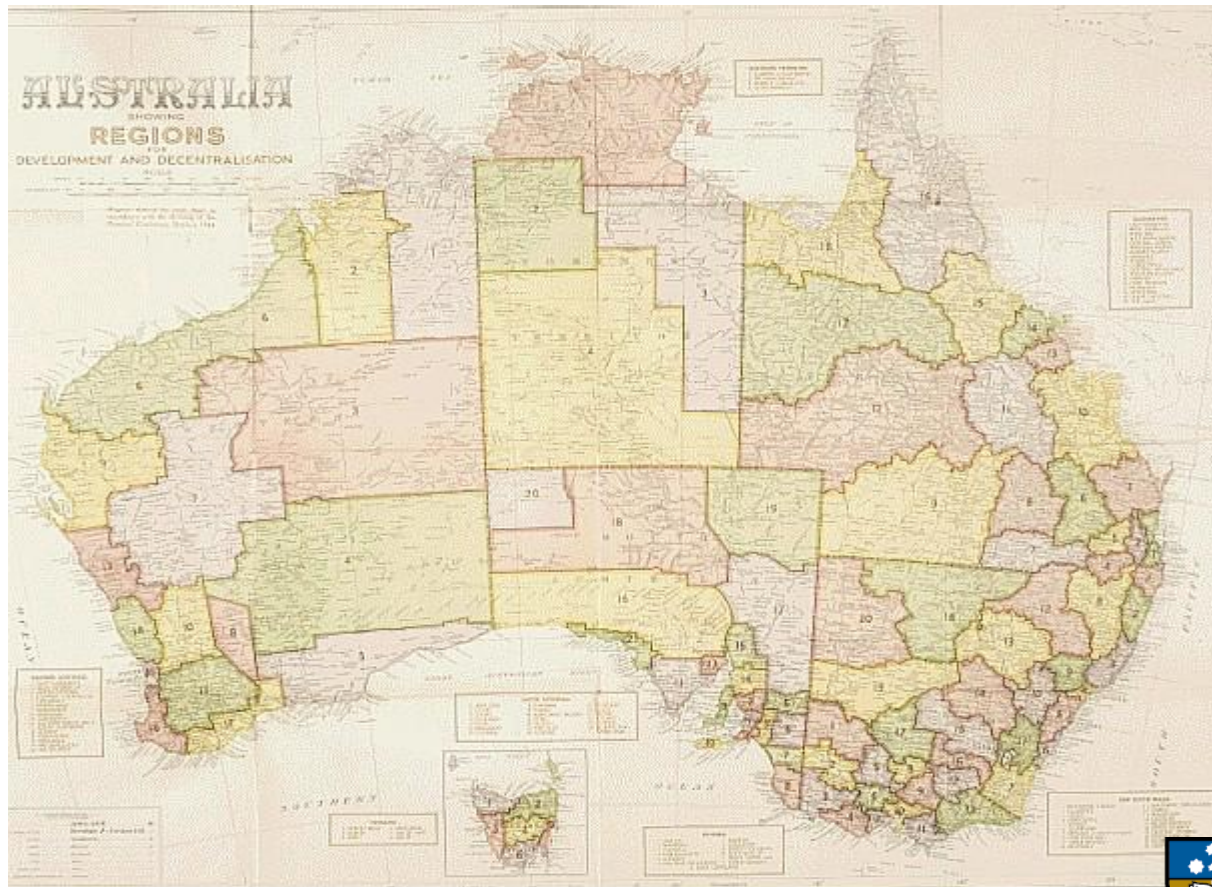
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Agenda

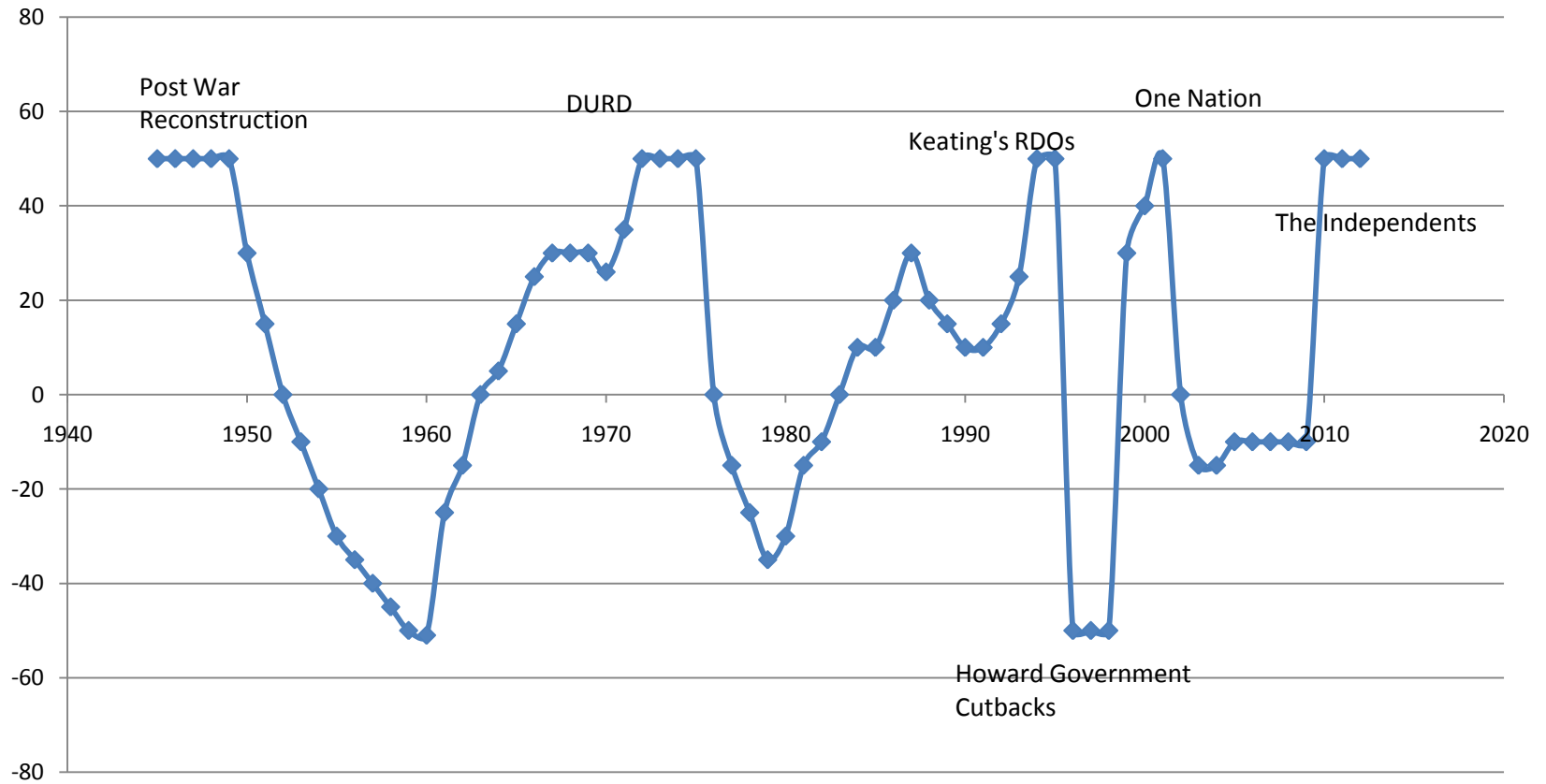
- Policy cycles and regional development in Australia
- The Empire Strikes Back
- The Patchwork Economy
- Strategies and Opportunities for the Future
- Final Thoughts

Policy Cycles: Australian Regions for Development and Decentralisation



Policy Cycles in Regional Issues

Interest in Regional Issues



The Empire Strikes Back

The Empire Strikes Back

– Grattan Institute Report (2011)

- A new Grattan report, *Investing in regions: Making a difference*, shows that unless governments recognize the fast-changing reality of regional Australia, they will continue to both waste money and deprive many citizens of much-needed services. Some regions are growing fast – and often missing out on services – while some are growing slowly or even shrinking. When these latter regions lack sustainable economic foundations, no amount of government money can provide it. Instead, governments should put development funds where people and jobs want to go.

Patching the Patchwork Economy

- Official recognition of hot spots and cold spots within the national economy
 - Glenn Stevens, Reserve Bank Governor argues the patchwork economy will become more uneven before it becomes less so.
 - And that there is no fix
- Australia is affected by the ‘Dutch Disease’
 - And conventional cures focus on government support for emerging, high technology industries, investment in infrastructure, reskilling the labour force

Strategies and Opportunities for the Future

- Getting regional Australia's share
 - For all regions
 - Discipline, politicking, leverage
 - Royalties for regions
 - <http://www.royaltiesforregions.wa.gov.au/royalties/Pages/default.aspx>

Royalties for Regions is an historic agreement that underlines the State Government's long-term focus on regional development throughout Western Australia.

Through Royalties for Regions, the equivalent of 25 per cent of the State's mining and onshore petroleum royalties will be returned to the State's regional areas each year as an additional investment in projects, infrastructure and community services.

\$6.1 billion is the estimated expenditure through the Royalties for Regions fund from 2008-09 to 2014-15, with \$1.2 billion allocated to 2011-12.

Strategies and Opportunities for the Future

- Ensuring on-going national engagement with regional Australia and its issues
 - Needs to be truly national, not just with the Government of the day
 - A communique?
 - Requires discipline
 - Would benefit from united action and organisation
 - Requires a view downward towards the community as well as upwards towards government

Strategies and Opportunities for the Future

- Getting an individual region's share
 - Public sector outlays
 - The Bass effect
 - Positioning for financial support and benefit
 - Private sector outlays
 - Positioning the regional economy to reap the benefits of growth sectors
 - Mining services, infrastructure and labour
 - Aged care services
 - Climate mitigation
 - Affordable living
 - Food security/food quality

Strategies and Opportunities for the Future

Be mindful of path dependency in both structuring approaches to growth and positioning the regional economy.

Flexibility is an admirable quality in a highly variable climate.

Final Thoughts

Current interest in regional Australia will not last

– Important to reap benefits now but

- More important to plan for a all possible
- Futures

Local governments are an enduring actor in Australia's regions

- Greater potential for concerted action
- The opportunities are before you!