

# Governing a hollow country

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# Main themes



- The processes of hollowing out
- High relative costs of
  - Keeping main population centres connected
  - maintaining services and infrastructure in 'outer' regions and remote areas
- The politics and values of service and infrastructure distribution
- Policy implications

# Hollowing out: economic factors



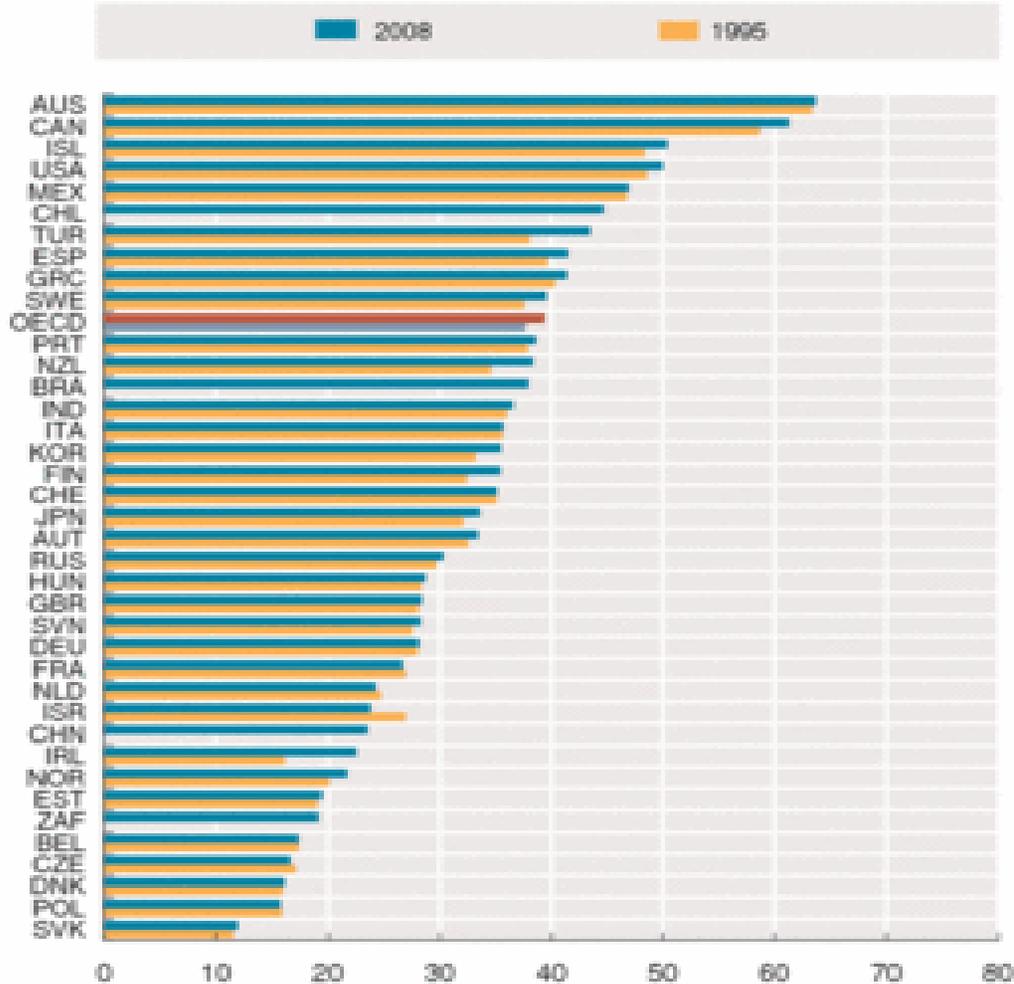
- Mechanisation and aggregation in primary industries
- International competition for investment
  - Along with national deregulation
- Labour mobility
  - Especially for the highly skilled
- Capital mobility of tertiary industries
  - Capital follows labour
  - Concentration of the educated in cities

# Hollowing out: Social factors



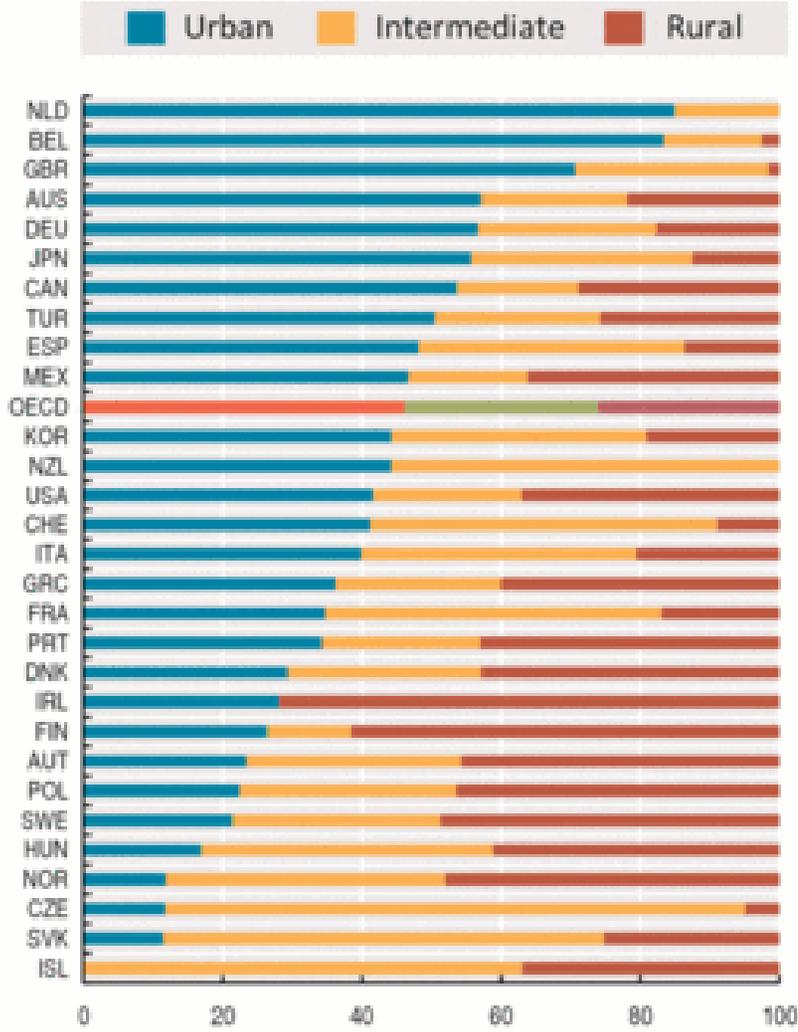
- Services and consumer expectations
- Social rather than geographical communities
- Dual employment demand
- Educational opportunities
- Demand for climate and natural and built amenity

# Share of national population in the ten per cent of regions with the largest population (% of total population)



OECD Factbook 2010: Economic, Environmental and Social Statistics

# Distribution of populations



OECD Factbook 2010: Economic, Environmental and Social Statistics

# Australian “hollowness”

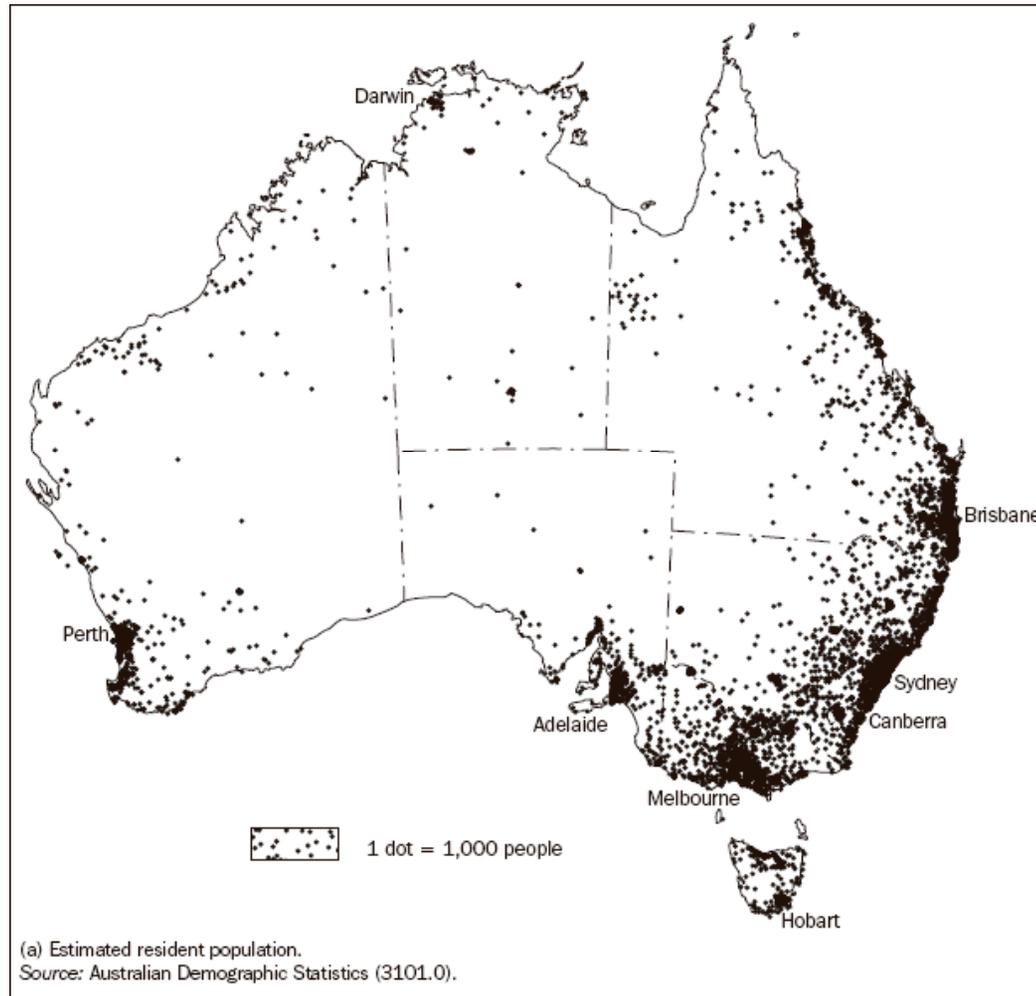


- Scale of country to total population
  - Its easy to concentrate population
- Wide choice of climatic conditions
- Roads to ‘nowhere’
  - cf US and Canada’s cross continent settlement
- Agricultural settlement based on major government intervention (now reversing)
- Lifestyle rural landscapes limited to coastal hinterlands and inner regional

## World Population Density 2010



# Population distribution: Australia



# The economic skeleton



- Population nodes
  - 3 large metropolises
  - Coastal cities and 'string' cities
  - Inner regional settlements
  - Rural and remote service and admin centres
- Resources 'pipelines'
  - Major agricultural production
  - Mining
  - Tourism

# A widening social gap?



- Increasing relative costs
  - Health services
  - Road and rail maintenance other than those connecting major nodes
  - Travel
  - Communications
- Youth migration and remnant populations
- Concentrating social and economic advantage

## Social indicators by electorate type



	Primary Industry workers	Percentage of: Professionals and managers in workforce	Women in workforce	People with university degree	Median age	Average disadvantage/ advantage score
Remote	16.6	25.6	43.3	6.7	30.8	937
Agricultural	16.7	30.0	44.7	6.6	38.5	940
Rural/coastal	8.1	26.8	45.9	7.5	40.3	954
Urban/rural	4.5	26.8	45.8	8.6	37.3	980
Provincial	1.9	26.1	46.3	9.0	37.3	990
Outer Metro	1.0	27.9	46.0	11.3	35.3	1021
Inner Metro	0.9	39.9	46.9	20.6	36.0	1059

Source: ABS 2006 Census

# The politics



- Internal + external migration + electorate rules = urban, peri-urban and inner regional dominance
- Environmentalism and NRM
- Crisis-based attention to rural issues
  - eg One Nation, hung parliaments
- The enduring influence of bush mythology

# Competing policy values



- Equality of outcomes
- First people's rights  
Agrarian  
exceptionalism
- Social roles of rurality
- Urban crowding
- Property rights
- Food security
- Equal treatment
- Self-sufficiency
- Individual choice
- Fiscal conservatism
- Efficiency of the urban
- Landscape amenity  
and habitat

# The policy future



- Sporadic attention to rural issues
- Ad hoc services for inner regional marginals
- Limited cross-subsidisation
- Limited direct assistance
- Indigenous community development programs
- Less water for production
- Land for conservation

# Paradigm shifts?



- Deadlock of politics and values
- Pursuit of 'equal' services and infrastructure is a sterile and pointless debate
- Time to look for major leaps (for eg):
  - Remote communications and telehealth
  - New forms of transport and energy
  - Environmental biotechnology and a class of indigenous and non-indigenous land stewards
  - A virtual (or actual) territory of the inland

# Conclusions



- All developed countries have some hollowing out but Australia has an extreme form
- Contemporary policy values limit change under traditional policy thinking
- Time to generate bolder visions
- Government role would be facilitating (and funding) research and development and spinning off commercial technologies