



## National Conversation on Regional Policy

### Key Issues, Observations and Messages: Steps towards priority policy actions

#### Setting the Scene

**SEGRA 2014** yielded a suite of key issues, observations, messages and suggested steps towards priority policy actions with respect to:

1. Federalism, Multilevel Governance and Regional Australia
2. Focusing Regional Development Policy
3. Northern Development
4. Rural and Remote Regional Single Industry and Service Towns: hubs, nodes and networks and moving forward

Additional core issues of issue identified were:

- Workforce demographic transition
- Indigenous business development
- The importance, viability and financing of agriculture
- NBN and technology
- Energy policy and fuel security in rural and remote regions

Conference proceedings are available at:

<http://www.segra.com.au/segra14ConfProc/index.html>

**SEGRA**'s vision is to promote regions and regional issues and empower regions to lead their own futures. **SEGRA** promotes that through collaborative multi- layered and interconnected responses that we can secure a sustainable future for rural, remote and regional Australia.

The material in this paper was prepared by Adjunct Professor Peter Waterman and Kate Charters, **SEGRA** National Steering Committee

## 1. Federalism, Multilevel Governance and Regional Australia

Many Australian's argue that our federal arrangements have served us well for over a hundred years and will continue to do so in the future. Specifically, that 'our federalism' facilitates policies and programs that allow a more flexible response to the diverse needs of such a large and geographically varied country. Conversely, to others, Australia's nine separate jurisdictions are seen as a source of intergovernmental confusion, erratic governance and inconsistent and costly regulation. Notwithstanding, some observers see both points of view as being valid.

From the conversations at **SEGRA 2014** it was obvious that practitioners are seeking high level clarification of the roles and responsibilities of the three spheres of Australian Government in the:

- formulation and implementation of consistent regional development policies, and
- sourcing of funds for regionally focused programs.

In this context, the Deputy Prime Minister (DPM), the Hon Warren Truss MP delivered a timely observation about the need to clarify roles and responsibilities for States and Territories so that they are, as far as possible, sovereign in their own sphere. Specifically, he stated that *"Whilst the Commonwealth will inevitably continue to take a leadership role on issues of genuine national and strategic importance, there should be less Commonwealth intervention in areas where States have primary responsibility. Each tier of government should have greater responsibility to raise the money they need to fund services they provide without having to rely on the generosity of other governments."*

The message from the DPM is clear; jurisdictions should take greater responsibility for funding services that are primarily in the purview of the states and territories. And while this position reduces ambiguity from a national government perspective it raises important questions with respect to multilevel governance and funding service delivery in rural and remote regional Australia. One such question is: *what needs to be done to reduce reliance on government hand outs in regional Australia?*

Evidence was presented at **SEGRA 2014** supporting the argument that a model of dependency on funding has unintentionally and somewhat perversely impacted on the capacity for self-determined and self-directed economic growth in regional Australia. Dr. Jen Cleary from the University of South Australia described the concept of 'Recycling dependency' in which regional, rural and remote communities have become reliant on the 'grant economy' to prop up service delivery across multiple domains in their communities. And this must not be allowed to continue. The observations shared by discussants at the Conference was that reliance on competitive, time limited governmental funding adversely impacts on the effectiveness of multilevel governance. Currently the uncertainty of funding

arrangements for services impedes the development of the long-term 'cross-jurisdictional' strategic plans to ensure that regional economic development is sustainable in rural and remote Australia. There was a lot of discussion about the circumstances of small and remote communities and the alternative contexts for funding that could be considered.

### ***Towards Priority Policy Actions***

Undoubtedly, the foregoing situation highlights a case for:

- strategic community and intergovernmental refocusing of regional development policies
- realignment of funding arrangements from agreed national and jurisdictional positions
- identification and resourcing of 'regionally significant investable projects' as well as funding one-off local initiatives in regions
- effective engagement with disaffected communities to improve connectedness between local, regional and national aspirations
- a recognition of the self determination of regional populations
- communication of the benefits of the policy realignment and funding arrangements with rural and remote regions

These steps require that adaptive approaches be used to interface jurisdictional priorities for service delivery in rural and remote regions.

## **2. Focusing Regional Development Policy**

Understandable, there is often a tendency for greater attention to be paid to the impact of regional policies on national growth. Rather, the situation also needs to be looked at from the other way around. Specifically, there needs to be a clear understanding of the local and regional impacts of policies, strategies and focused projects. Specifically, in achieving wealth generation goals and delivering economic and social benefits in coastal, rural and remote regions. The observation is that such perspectives need not be mutually exclusive. Rather, they should be reinforcing. In short, help us see what that the policy settings are achieving for the regions as well as for the future of Australia.

Speakers, panellists and participants at **SEGRA 2014** made it abundantly clear that a 'one-size fits all' approach to regional development is not appropriate in the Australian context. The policy response to this lies in the machinery of government and institutions of governance.

### ***Towards Priority Policy Actions***

The continually changing policy emphases on either localism and localisation or regionalism and regionalisation in regional development have created ambiguity in environmental, economic and social approaches to development. In short, the policy making purview creates great difficulty in generating a coherent response to delivering sustainable regional economic development.

For a number of years **SEGRA** has been urging a clearer articulation of terminology and its strategic implications in best practice approaches and the implementation of multi-disciplinary and cross-sectoral delivery.

A number of software tools for gathering and analysing deliberative data and also encouraging action and decision making were show cased at **SEGRA 2014**. For example the 'Deliberative Collaborate Governance' tool that has been trialled in regional Australia. Further development of these tools and their application in regional Australia is encouraged.

There was also strong recommendation for funding guidelines that allow for innovation and harnessing competitive advantage.

### **3. Northern Development**

Northern Australia is a big contributor to the national economy, with 55 percent of Australia's exports of iron ore and coal shipped through our northern ports and an agricultural sector worth over \$5 billion.

Discussions at **SEGRA** focused on the need to ensure that the current phase of policy effort in regard to Northern Australia delivers long term regional development outcomes. While, the Pivot North Report of the Joint Parliamentary Committee and the White Paper on Northern Development have been released, we hope the final White Paper articulates how priority policy actions that consistently facilitate regional development could be set across the three jurisdictions that make up Northern Australia.

The key message to emerge from the challenge discussions on Northern Australia facilitated by Professor Allan Dale from James Cook University was that there is a need for an explicit framework within the Northern Development process that enables regional innovation and creates the foundation for longer term investment in infrastructure. Getting durable and adaptive governance systems was seen to be the key to ensure the White Paper delivers results.

### ***Towards Priority Policy Actions***

There is a need for cohesive integrated governance arrangements that underpinned by strong cross–northern alliances. Such an approach would:

- identify priority policy and investment issues
- systematically address the resolution of these issues, and
- monitor and review the results in partnership with both the Northern Australian Regions and the north-science community

The provision of policy and resourcing support behind the strengthening of existing regionally–led strategic planning and effort alignment will be a key component of these arrangements.

#### **4. Rural and Remote Regional Single Industry and Service Towns: Hubs, Nodes and Networks and Moving Forward**

The single industry and service town’s challenge and practitioners ‘round table’ facilitated by A/Prof. Peter Waterman at **SEGRA 2014** most effectively scoped the issues and provided a simple framework for developing a better understanding of hubs, nodes and networks. Four types of Single Industry Towns (SIT’s) were identified, namely:

- primary industry dependent
- mining and/or mineral processing dependent
- regional/local administration and support service provision
- coastal towns that are built on wealth and lifestyle

All were seen as having special attributes depending on the industry that gave rise to the SIT. Physical geographic and demographic conditions and communication networks (e.g. roads, air links, ports and shipping, telecommunications) were seen as important in characterising the regional setting for SIT’s. Most SIT’s reflected the single industry region in which they were located (e.g. livestock grazing, mining, support services).

The Practitioners Round Table synthesised core elements of the *Regional Service Centres* presentations and the *Single Industry and Service Towns Challenge* to capture key observations, ideas and thoughts. This provided a foundation from which to explore some of the essential ingredients for sustainable rural and remote regional towns and settlements including:

- maximising industrial diversity and employment opportunities
- infrastructure provision through soft and hard networks – air links, roads, coastal shipping and the ‘ether’
- supporting liveability through health, education and volunteering

- establishing sustainable utilities – renewable energy and water supply and waste water treatment

### ***Towards Priority Policy Actions***

From the group discussion in preparing the case for ‘the challenge’, participants agreed that SIT’s and their host regions could become more self-supporting through the following strategic actions:

- Ensuring resource optimisation
- Fostering economic consolidation
- Sustaining the social capital
- Embracing technological take-up

Two remote regional shires that share common ‘single industry sector’ characteristics and problems have indicated a willingness to further this initiative. They are Etheridge in Far North Queensland and Wiluna in Western Australia. Specifically, they are going to look at how to utilise the product of the Practitioners Round Table and the input from the ‘challenge’. The success of this ‘action adoption’ will be reported at **SEGRA 2015**.

The **SEGRA** 2015 Conference will be held at Charles Sturt University in Bathurst, New South Wales on 20 – 22 October 2015. Mark your diaries now and contribute to Australia’s most credible, independent voice on issues affecting regional Australia

