

SEGRA Communiqué

Speaking up for Regional Australia

About *SEGRA*

The *Sustainable Economic Growth for Regional Australia, SEGRA*, conference was established in 1997 in response to growing concern about the absence of a single forum in which practitioners, business, government and researchers with a deep commitment to regional Australia could discuss issues and advance options and solutions for the future. *SEGRA* is now an annual event drawing over 300 delegates from across Australia, with a reputation as Australia's most credible and influential voice on issues affecting regional Australia.

SEGRA is committed to providing challenging, thought provoking keynote addresses by Australia's leading social, political, economic and environmental thinkers; exemplars of some of Australia's outstanding regional development success stories and; providing a mechanism for drawing together and advancing knowledge and issues. In keeping with its role, *SEGRA* focuses on practical and applied presentations and seeks to influence the nation's regional development agenda.

The *SEGRA* Secretariat is committed to profiling a different regional location each year to capture local flavour and enable greater participation from specific regions. Recently *SEGRA* has been conducted in Kalgoorlie-Boulder WA, Albury, NSW; Wollongong, Illawarra Region NSW as well as Launceston, Northern Tasmania.

An overview of the program theme and action agendas can be found in Appendix 1

What defines Regional Australia?

SEGRA has not concerned itself with trying to give a proscriptive definition of what constitutes regional Australia so much as the defining qualities of regional Australia, Unlike cities and communities which are often defined by size or similarity of interests. Features of regional Australia are those of: scale, enormous diversity, and disparate communities with either an absence of common alliances or the absence of mechanisms to martial their commonalities. In many respects the interests and aspiration of regional Australia are also largely not dissimilar to the rest of Australia.

Nonetheless there are some startling observations to be made about regional Australia. To define regional Australia by land use it is worthwhile to note only 3% of Australia is urbanized. Outside of the capital cities there are only 18 urban centres having populations over 60 000. Some 85% of Australia is defined as remote, holding only 5% of Australia's population. In total, 95% of Australians live in the remaining 15 % of the land, comprising

cities and their rural hinterlands. Indigenous Australian own, control, or have management arrangements approximately 20% of the Australian continent and this can be expected to continue to increase through native title determinations. Regional Australia is also an area of great and more vitally potential wealth production. In 2006 regional Australia contributed 67% of Australia export income largely through mining and agriculture. Additionally, vast amounts of regional Australia are of high level biodiversity value.

Context of *SEGRA* 2009

At the conference it was clear that in 2009 regional Australia faces enormous changes and challenges to sustainability and economic growth as a result of factors including:

- The sudden and severe downturn in the economy and consequent impacts in a wide range of existing land use and economic activities including minerals and energy, agriculture and grazing, and manufacturing industries;
- Changing climatic conditions and associated impacts on energy availability and usage, agricultural practices, and government mitigation strategies;
- Social impacts associated with effects on employment availability, location and population mobility.

These challenges raised a range of significant issues and trends at national, regional and community levels that would impact on the Sustainable Economic Development for Regional Australia.

At a national level

Australia is facing one of the most difficult economic times in our history. The situation of severely reduced economic activity has dramatically impacted on all of Australia, with specific implications for rural and remote regions. Regional Australia has a narrower economic base, depending largely on mining and agriculture, leads to greater vulnerability because of its dependence on extended economies. The June 2009 report by the Bureau of Infrastructure, Transport and Regional Economics, titled *The Global Economic Downturn - some implications for Australian Local Governments*, makes the point that these impacts are 'occurring now'.

Emergent understanding of the impacts of climate change has resulted in governments reviewing policy and legislation across a wide range of industries. Potentially these reviews could result in significant impacts on business practice particularly in mining and manufacturing.

This having been said, Australia as a whole is weathering the economic crisis better than many countries and there is some optimism particularly in the mining sector.

Thus, it follows that the challenge is to ensure frameworks are put in place that act to: enable benefits to arise equally; address anticipated growth issues including providing and housing a skilled work force; establish appropriate and adequate social and financial infrastructure and; take into account for the often cyclical shifts in the economy.

At a regional level

The global economic downturn will test the resilience of local economies through:

- reductions in the economic capacity of individuals and business; and
- the ability of Government's to respond to the service demands resulting from declines in corporate and personal income.

In this context, the extent of the regional impacts will depend on:

- the distributions of wealth, debt and investment in the regions;
- the diversity of regional economic bases; and
- the flexibility and depth of workforce capacities.

The geographical distribution of resources and populations in Australia together with a highly urbanized coastal fringe and large tracts of sparsely settled, resource-rich interior creates a unique set of policy and planning conundrums in terms of the following.

- Equitable and accessible service delivery to all members of the community.
- Appropriate governance arrangements that efficiently and effectively maximise resource usage.
- Provision of infrastructure (transport, water, energy and telecommunications) in a timely manner.
- Appropriate labour force planning regarding education, training and flexible life long skill development.
- Ensuring that all communities have equal opportunities to benefit from economic growth now and in the future.
- Identifying and developing self-sustaining and diverse business and employment opportunities for people in remote communities.
- Appropriate management of land and marine resources.

Ideally, the response to these issues need to be from more than local key policy and program decision makers drawn from within elected government. Responses must also come from: the business community; the non government sector; and local communities including indigenous and environment groups.

At a community level

Local communities have experienced very different impacts from both the economic crisis and climate change. Some communities have experienced major disruption and upheaval whilst others have been safe from many of the immediate impacts.

Likewise, within communities some individuals may have experienced significant impacts whilst others have not. The impacts may be made more severe if there is limited civil society ability to influence outcomes. However these realities must not overshadow the knowledge that:

- entrepreneurship can be fostered;
- leadership and community engagement facilitated; and
- regional pride fostered; and
- opportunities seized.

Essential to moving forward at the community scale is a '*vision for growth*'. Such a vision should be developed as a collaborative activity to ensure embedded ownership by stakeholders in the process.

Key Issues and challenges to emerge

The *SEGRA* Steering Committee conducted a pre-conference survey to identify key challenges as assessed by *SEGRA 2009* delegates. A summary of these challenges is at Appendix 2.

Reflecting on these emerging issues and trends a number of key issues came into focus, including the following.

1. The increasing footprint of urbanisation driven by population growth and house block size. Sea change and tree change population movement is encroaching on open space and natural systems in the coastal zone and high value agricultural and horticultural land inland. This highlights the need for strategic decision-making processes that ensure consideration of sustainable economic development regarding appropriate land use activities across Australia (e.g. urbanisation, agriculture, aquaculture, mining, recreating, tourism, defence, forestry, conservation and infrastructure).
2. With increasing and conflicting levels of choice over land use there will be an increasing demand to respond to issues associated with on-site, off-site and cross boundary and jurisdictional impacts in regard to water, air, biodiversity and earth materials that give recognition to regional circumstances.

3. There is a need to assess and respond to anticipated decreases in intensive cropping and grazing capacity in line with water availability, viability of irrigation, community views on water diversions and dams, acidification, demand for reduced nutrient loads (and associated erosion issues) and chemical inputs into soil and waterways. This may include consideration of what sort of preparation needs to be made in anticipation of the impact of peak oil on the mobility of goods and people?
4. The discussions regarding the reform of '*Australian Federalism*' need to review current governance in regional Australia to ensure transparent models for on going effective delivery of 'citizenship services' outside the existing paradigms of service delivery giving recognition to the wealth of regional Australia and the need to maintain a government profile alongside market related activities.
5. Indigenous people have a very particular relationship with land that influences business decision-making. Alternative accountable mechanisms need to be developed that recognise this relationship and create institutionally supported processes regarding governance, and access to government services including business services that ensure access to economic opportunities.
6. Ensuring regional Australia participates and is recognised in the broader development of Australian social and political culture into the next decade. Specifically, for its economic and strategic importance and the need to secure a future for regional Australia that gives expression to this value.
7. A danger for regions and communities is to rely too heavily on government for the development and implementation of responses to these challenges. Regional and remote Australia often looks to governments to provide leadership in - or at least coordination of - responses to pressing issues. Australian and state/territory governments are primarily geared to be responsive to city constituencies. Votes, mind-set and priorities are inevitably focused on the larger populations of the cities and the inner regional areas.
8. There is on-going dialogue about the need for governments to reconsider their approach to regional/remote Australia. It is also recognised that regional and community responses are also vital to develop long-term approaches to address regional issues. Further, it is acknowledged that this must be done in a systemic and systematic way as illustrated by the '*remoteFOCUS*' initiative, (for further information see www.desertknowledge.com.au/remotefocus).

The response to these issues must rest not just with local key policy and program decision makers within elected government but also with the business community, the non-government sector and local communities, including Indigenous and environment groups.

A fundamental change is required

These issues bring into sharp focus and confront some of the fundamental ways in which regional development, policy frameworks, approaches and implementation instruments are developed and practiced. Arguably, the economic crisis can also be the catalyst for change. How communities and regions respond to these challenges may well distinguish which regions will be able to either:

- batten down and draw on lessons from the past and seek new opportunities; or
- reinvent themselves in order to maximise opportunities into the future and the next growth stage.

Regional capacity to respond proactively to change is embedded in a rich 'bush tradition' of innovation and responsiveness to challenges. However, now more than ever these challenges must be met with strong, interrelated and sustainable frameworks that work within regions and articulate across regions.

These issues combine to demand that regional Australia has specific and unique characteristics and qualities that need to be considered outside the policies frameworks that are commonly and usefully applied to densely populated areas. Typically, regional agendas are focused on sectoral interests with their ensuring economic and business considerations. Thus, in the context of these frameworks, it is harder to develop and implement the government business relations necessary to address issues that are less amenable to market-based instruments.

Focussing on the future

Much of the discussion arising from the key-note and session presentations of the Conference centered 'around' the need to focus on and confront some of the fundamental ways in which regional development policy frameworks, approaches and implementation instruments are developed and applied. This provided an opportunity to explore what regional Australia could look like in the future in the face of challenges such as:

- changing climatic and associated environmental conditions;
- declining rural and remote regional populations;
- increased metro-centric or centralised public and private sector governance;
- new and challenging mineral resources development projects in remote arid and semi-arid regions;
- expanding sea-change and tree-change settlements in the coastal and hinterland areas; and
- the way in which economies across the world would recover from the 'global financial crisis'.

Across the breadth of the discussions 'regional resilience' emerged as a term that helps to focus the future of regional Australia.

Regional resilience and the inherent capacity to respond proactively to change is embedded in a rich 'bush tradition' of innovation and responsiveness to challenges. This '*can do*' attitude again was evident at SEGRA 2009 with the abundance of case studies and shared experiences demonstrating Australia's rich frontier culture and history. However, there was a clear sense at SEGRA 2009 that, now more than ever, these challenges needed strong, interrelated and sustainable frameworks that work within regions and articulate across regions.

Key emphasis emerging from delegates at the 2009 *SEGRA* conference included the following.

1. Ensuring a voice for regional Australia -including appropriate legislative, planning and implementation mechanisms to maximise potential for growth and benefits in the resource sector to stay in regional communities.
2. Planned decentralisation as a response to: over urbanization; peak oil; and the negative social and economic impacts of fly-in and fly-out (or drive in and drive out).
3. Industry, government and communities working together in whole-of-life planning.
4. Growing Indigenous role and capacity for economic development.
5. Provision of infrastructure in a strategic and coordinated way that creates connectivity for regional Australia not corridors through regional Australia.
6. Northern Australia - remoteness, population distribution, and the challenge of governance.
7. Climate Change Responses - especially carbon trading emissions, regional mitigation strategies, food and water security and the need to seize the opportunities of the 'Green Industrial Revolution'.
8. Professional development and capacity building opportunities for practitioners

Proposals and actions for the future

The following proposals and actions were drawn from presentations, the pre-conference survey, panel discussions, forums and informal network discussions. They have been grouped around six themes, as follows.

1. Governance
2. Economic
3. Infrastructure
4. Population and Social
5. Cultural and Land Rights
6. Natural Resource Use Management

Governance Proposals

Actions to deliver key interlinkages and capacity across regional Australia through principles and governance actions for: ensuring public, private, social and economic balance; dealing with complexity and uncertainty; accommodating rapid change; reducing fragmentation; and fostering consolidation.

- Acknowledge the need for a common alliance throughout regional Australia and mechanisms to marshal their commonalities - *'giving recognition to the voice of regional Australia'*.
- Establish mechanisms for managing the increasingly difficult choices between environment, community and industry - inherent contradictions (eg Kimberly LNG Precinct).
- Identify regional stakeholders in order to act as advocates with the Commonwealth, State, Territory and local governments for: viable regional communities; decentralisation of functions and operations of governments; a commitment to resourcing regional development; clarity of funding and transparency.
- Recognise the need for strong, interrelated and sustainable frameworks that work within regions and articulate across regions.
- Assist industries and communities to work in collaboration with all spheres of Government to develop a shared vision and strategy to achieve two specific outcomes (e.g. Pilbara Industry's Community Council two core objectives).

Economic Proposals

Actions to develop strong, growing and diversified regional economies that can accommodate the realities of diverse environmental (biophysical and socio-economic) conditions and geographic situations.

- Initiate appropriate and enabling policy and institutional settings to facilitate regional development - political commitment.
- Foster returning 'royalties to the regions' as a targeted regional development funding mechanism.
- Encourage commercial entities in the resource sector to invest in the regions where they operate
- Initiate 'whole-of-mine-life' planning to encompass: cyclic impacts of large mineral resources development projects; reducing long infrastructure and approval times; sudden closures and/or down-sizing; amenity; and location of workforce accommodation.
- Recognise that typically, large initial expenditures are made on non-relocatable assets with efficient capacity utilisation taking years or decades.

- Recognise that many of the properties of infrastructure are contrary to those often assumed in economic and finance systems.
- Argue that it is time for the full nature of infrastructure investment to be recognised and accommodated in funding and taxation regimes.
- Enable industry and community to work in collaboration with all levels of Government to develop a shared vision and strategy to achieve specific outcomes (eg Pilbara Industry Community Council's two core objectives).
- Support and endorse accredited ecotourism initiatives and enterprises.
- Foster greater application of research and development in areas including regional Australian monetary policy.
- Support an immediate review of the current system of Commonwealth Grants Commission that emphasises the importance of horizontal equity whilst not addressing disparities in access to services between regions with States.
- Seek that the Australian Government urgently addresses the current Fringe Benefit Tax settings that reward Fly in Fly out and penalise the provision of housing for resident workers and their families.
- Encourage greater development of mine services in regions by way of education, housing, retail industry so as to be active disincentives for Fly in Fly out and Drive in Drive out.
- Encourage funding of research and development for value adding industry especially in mining and agriculture.

Infrastructure Proposals

Actions to develop infrastructure that provides connectivity between regions rather than corridors through regions

- Support strategic placement and access to soft infrastructure and services including establishing multi user infrastructure.
- Initiate serious strategies to secure water reform, State-wide demand for water in the minerals and energy sector was projected to grow at a Compound Annual Growth Rate of ~5% for 2008-2014 (Chamber of Minerals and Energy).
- Install Information, Technology and Communication platforms, communication and transport for global connectedness and competitiveness.
- Encourage patient capital and long term finance across several business cycles that are now discouraged by current arrangements.

Population and Social Proposals

Actions for decisions, initiatives and activities that enable effective community engagement and proactive involvement in resolving issues that impact on civil society.

- Develop and implement policies and engagement activities for indigenous people that: support positive and proactive leadership; ensure frameworks act to enable benefits to arise equally; address anticipated growth issues in communities; foster the provision and housing a skilled work force; provide social and financial infrastructure; and account for the often cyclical shifts in the economies of rural and remote regions.
- Evaluate benchmarks for equitable and accessible service delivery to all members of regional communities.
- Initiate appropriate labour force planning regarding education, training and flexible life long skill development in communities including articulating life skills and industry.
- Ensure that all communities have equal opportunities to benefit from economic growth now and in the future.
- Identify and develop sustainable, diverse business and employment opportunities for people in remote communities.
- Foster entrepreneurship and leadership; facilitate community engagement and encourage regional pride.
- Collaboratively develop a vision for growth and advocate for regions and communities of space and interest.
- Establish relationships with Head Office level policy-makers of the community based organisations and peak body organisations.
- Support the establishment of regional peak body to coordinate and assist not for profit organisations in satisfying multi-agency funding applications and compliance standards.
- Liaise with community-based organisations to mobilise existing and new residents within the 25-64 years age ranges.
- Foster greater development of mining services in regions - education, housing and retail industry;
- Initiate and support further research and development into early research indicators that there is substantial support for flexible, highly mobile accommodation solutions for mine workers and their families.

Cultural and Land Rights Proposals

Actions to enable: access to training and employment; greater economic development opportunities; protection of heritage values; and optimization of the potential for "broader settlements" under the Native Title Act

- Foster the development and implementation of mechanisms to appropriately incorporate Indigenous society into the mainstream global economy
- Recognise that for many Indigenous Australians their economic development is limited by access to credit and/or capital and that this can often be compounded by low levels of literacy and numeracy or by living in a remote location.
- Acknowledge that many of the large infrastructure projects are occurring in locations where there are relatively large Indigenous populations that are characterised by low Indigenous employment.
- Optimise the opportunities for Indigenous groups and individuals to participate in major projects as sub-contractors, suppliers and as business owners (eg Queensland Indigenous Employment Policy was identified as an outstanding example).
- Improve the skills of local people, particularly Aboriginal people before importing labours.
- Provide incentives to provide proactive training and employing of Indigenous people
- Fundamental changes to property rights for Indigenous people are required to: develop clear individual property rights in relation to homes and business, communal ownership and land held by native title to ensure access to finance and other business development essentials.

Natural Resource Use Management Proposals

Actions to maintain and enhance international competitiveness in an environmentally sound manner.

- Support policy development and foster institutional arrangements to effectively address natural resource management issues including water security and biodiversity conservation.
- Foster the self-sustaining management of renewable and non-renewable resources.
- Foster the better management of the environmental footprint of all land users.
- Support one stop shop approval processes.
- Encourage Research and Development investment in water efficiency as an increasingly important area of societal concern.
- Increase Research and Development into Renewable energies and reduced energy uses.

- Lower the footprint and impact of agricultural practices at different scales.
- Foster drought tolerant cropping.
- Encourage more forward planning and collaboration in catchment management (ie. industry to industry and between industry and government will be valuable).

Synthesising the proposed actions

Alternative frameworks arising from the six proposed areas of action outlined above include regional Australia acting to achieve the following.

- Capitalise on growth in 'green industries'.
- Plan for decentralisation, particularly in regard to shifts from oil dependency.
- Localise development of human resource capacities, goods and services in response to food and water security.
- Address Indigenous legal rights and land claims, as a matter of high priority.
- Grow Indigenous role and capacities in land and sea management and the recognition of Indigenous economic and natural resource knowledge.
- Ensure appropriate legislative, planning and implementation mechanisms to maximize potential for growth and benefits in the resource sector to stay in regional communities.
- Create flexible, lifelong skilled human resources in and for the regions.
- Plan responses to the shifts in agricultural and other primary production activities as a result of climate change.

Moving Forward

The *SEGRA* Steering Committee has formed a small working party to consider the above proposals with a view to consolidating a number of clear issues and ideas to take forward. This will include the identification of issue agendas, availability of and or need for supporting research and data, and potential policy actions for consideration. Following this a draft paper will be made available before a final copy is distributed.

Please contact Kate Charters if you or your organization would like to:

- participate in an online discussion of the Communiqué;
- be part of the working party;
- contribute your ideas; or
- lead or be part of a research project.

Kate is also available to make power point presentations of the Communiqué by teleconference or web-based technology to Councils, Boards, agencies and the like on request.

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Appendix 1 Program theme and action agendas

The *SEGRA* Steering Committee developed the program themes and formats in consultation with representatives from the local region.

The theme for *SEGRA 2009* was "*Regional Australia: exploring new frontiers*".

SEGRA 2009 focused on the rapidly changing, widely impacting and highly challenging issues confronting regional Australia into the next decade. In particular was the focus on regional capacity to create and react creatively to the significant array of issues facing regional Australia in an integrated and sustainable way. Some of the new frontiers explored included:

- an increasingly centralised and urban Australian settlement pattern;
- the impacts of climate change as a phenomena and associated policy responses and economic opportunities;
- ensuring new transport infrastructure connected communities rather than became corridors through communities;
- ensuring an appropriate political, social, environmental and economic profile for regional Australia reflected in funding, institutional arrangements, and private sector activity;

Action Agendas for *SEGRA 2009*:

- The economic outlook for regional Australia - where to next?
- Securing a regional agenda
- Federalism - how can it deliver for regions?
- Regional identity and social capital
- Green technology as an economic driver
- Riding the cycles - managing change
- Indigenous Economic Development
- Communities, resource industries and sustainable development - living together
- Positioning small to medium enterprise business for the next boom
- New regional paradigms in response to climate change and new energy supply opportunities/ sustainable land stewardship/alternative and renewable fuels
- Australian frontiers in the next decade - opportunities and prospects for regional Australia
- Changes in key regional sectors - tourism, mining, agriculture, retail, manufacturing