

**RDSA
and
the Regional Development Board Framework**

**“Growing Prosperity and Building Communities
in Regional South Australia”**

March 2007



INTRODUCTION

The Development of the South Australia Strategic Plan has introduced a new way of focusing our attention on the future and wellbeing of the State and it's people.

Implementing a strategic set of actions and monitoring the measurable outcomes that are the objectives for growth and continuous improvement, is a clear statement of intent by Government.

South Australia's Regional Development Boards are set to play a continuing role in helping the State achieve it's many objectives, by also driving and reporting against the regionalised version of the South Australia Strategic Plan.

Regional Development South Australia (RDSA) is the peak body under which the Boards operate, bringing together a state-wide range of views and experience to encourage balanced regional development and employment growth in the State.

RDSA has produced this document "Growing Prosperity and Building Communities in Regional South Australia" to bring increased focus to the structure which facilitates economic development in regional South Australia and to put forward a range of strategies aimed at maximizing the benefits available from the RDB structure and accelerating growth in line with objectives contained in the South Australia Strategic Plan.

Regional South Australia is quite different to the non-regional areas with the following factors often presenting real challenges, relative to the productive capacity of the various regions.

- *Population distribution*
- *Geographic size*
- *Infrastructure capacity-reliability-access and cost*
- *Predominance of primary industries and mineral development economies,*

- *Remoteness*
- *Connectivity and access to global markets*
- *Workforce availability.*

The process of regionalising the South Australia Strategic Plan will bring all of those factors into sharper focus and will highlight the potential for South Australia's regions to drive further investment and jobs growth.

Statistically, regional South Australia contributes around 25% of the value of State output, full time equivalent jobs and is just slightly above that in terms of population. Not surprisingly, primary industries, fishing and aquaculture and the mining sector dominate the regional economies and it is in those areas that much of the further potential exists, particularly in value added commodities and export.

The South Australia Strategic Plan (SASP) contains a vision and targets for economic, social and environmental well being for the State into the future. Regional South Australia is an important contributor to the overall well being of the State and activities of the Regional Development Board Framework and the principles contained in this document are aimed at contributing to the growth of the State and the vision as outlined in the SASP.

Vibrant regional industries and businesses, the development of key infrastructure assets and actions to address population growth and workforce development are critical for the future of the whole of the State and fundamental to achieving many of the targets set out in that Plan.

REGIONAL DEVELOPMENT SOUTH AUSTRALIA (RDSA)

Regional Development South Australia (RDSA) is the peak body for the thirteen regional development boards situated across South Australia. The value of RDSA to regional and rural South Australia lies in its ability to respond effectively to the challenges that affect South Australia's development and to take up any opportunity to strengthen and enhance its development opportunities. Our objectives are achieved by forming strong alliances and effective working relationships with our natural strategic partners. RDSA provides a unique opportunity for community leaders in the form of the Regional Development Board Chairs, to be able to provide a collective voice on regional development in South Australia and it provides Government with a strong network back into the various regional communities.

RECOMMENDATIONS:-

1. RDSA should be the principal peak body for Government to consult on regional development policy initiatives and service delivery arrangements for economic development in regional South Australia.
2. A framework of Regional Development Boards be maintained, well resourced and promoted as the principal facilitator for economic development and delivery of State Government programs aimed at improving the economic performance of South Australia's regions.
3. RDSA be resourced to coordinate the Regional Development Board framework response to and reporting against the regionalised South Australia Strategic Plan.
4. RDSA supports the need for greater recognition of the agricultural production base and associated drivers in the State economy.
5. RDSA in partnership with the State Government, develop and undertake a promotional campaign aimed at improving the understanding of the contribution regional South Australia makes to the South Australian economy and which outlines further opportunities for investment in the regions.
6. RDSA calls for a more coordinated and strategic Government response to regional population growth and workforce development needs to achieve balanced growth and to meet the requirements of communities and industry sectors.
7. RDSA calls for a more coordinated Government response to strategic regional infrastructure planning and investment in line with projected regional population growth targets.

REGIONAL DEVELOPMENT BOARD FRAMEWORK

Since the mid 1980s the South Australian Government, in partnership with Local Councils, has funded Regional Development Boards in thirteen regions across the State. The RDBs are constituted under the Associations Incorporation Act as independent not-for-profit organisations and act at a regional level in the interests of their State and Local Government funding partners.

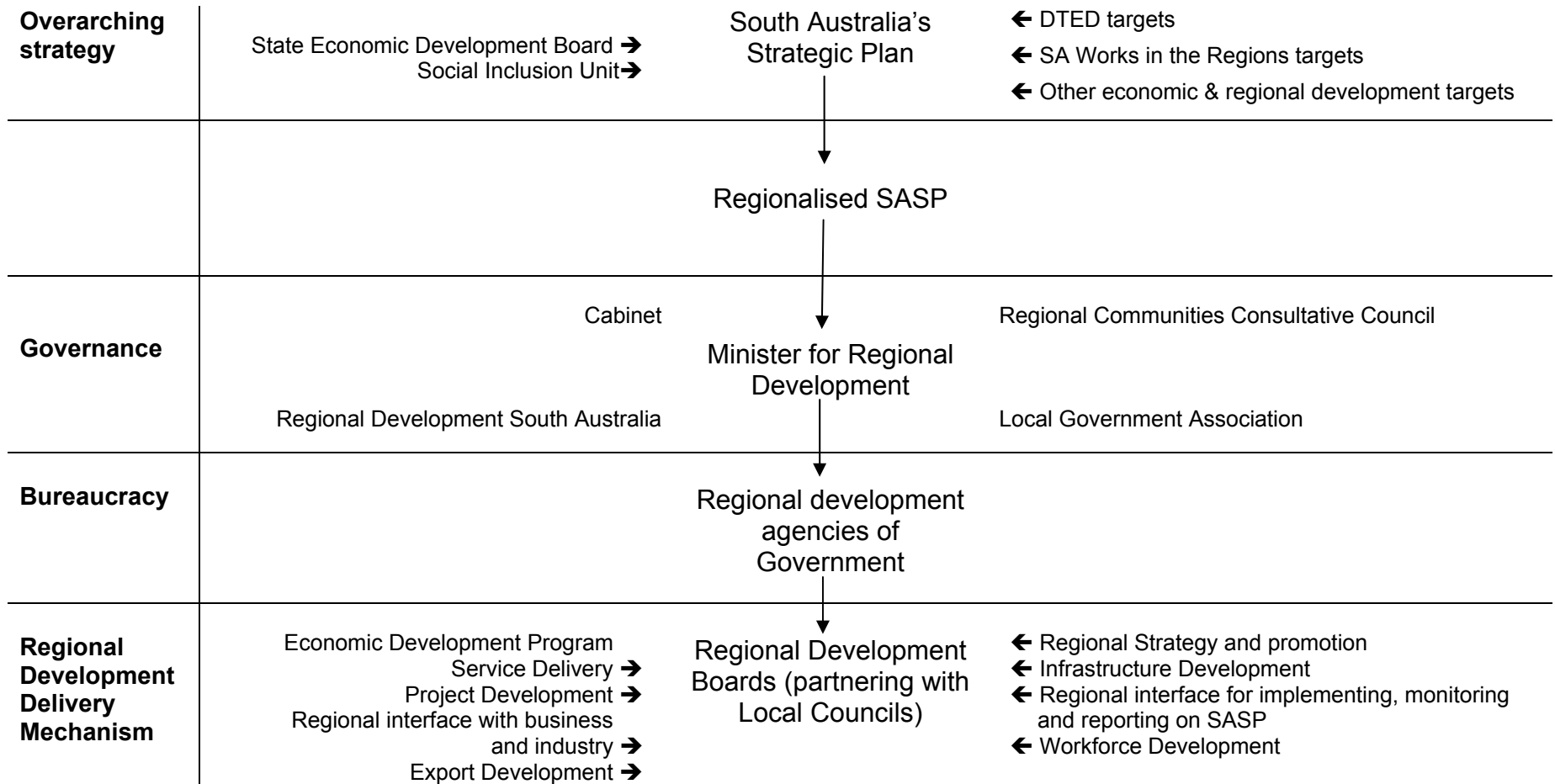
The Boards are generally comprised of local people with a wide range of experience, selected from industry, Local Government and the community. The primary function of the Boards is to facilitate and drive economic development and employment growth in their regions.

At the regional level Boards integrate and deliver a range of business advisory services, including export market development and workforce development through skilled migration and training initiatives. The Boards continue to be accountable for their financial performance and results and whilst core funding for the operation of the Boards is modest, they have well developed capacity to leverage support from industry, business, Commonwealth and other State Government agencies to facilitate and nurture regional projects. Boards also play a key role in regional strategic planning, infrastructure development, providing regional intelligence to Government, industry development and regional promotion and marketing.

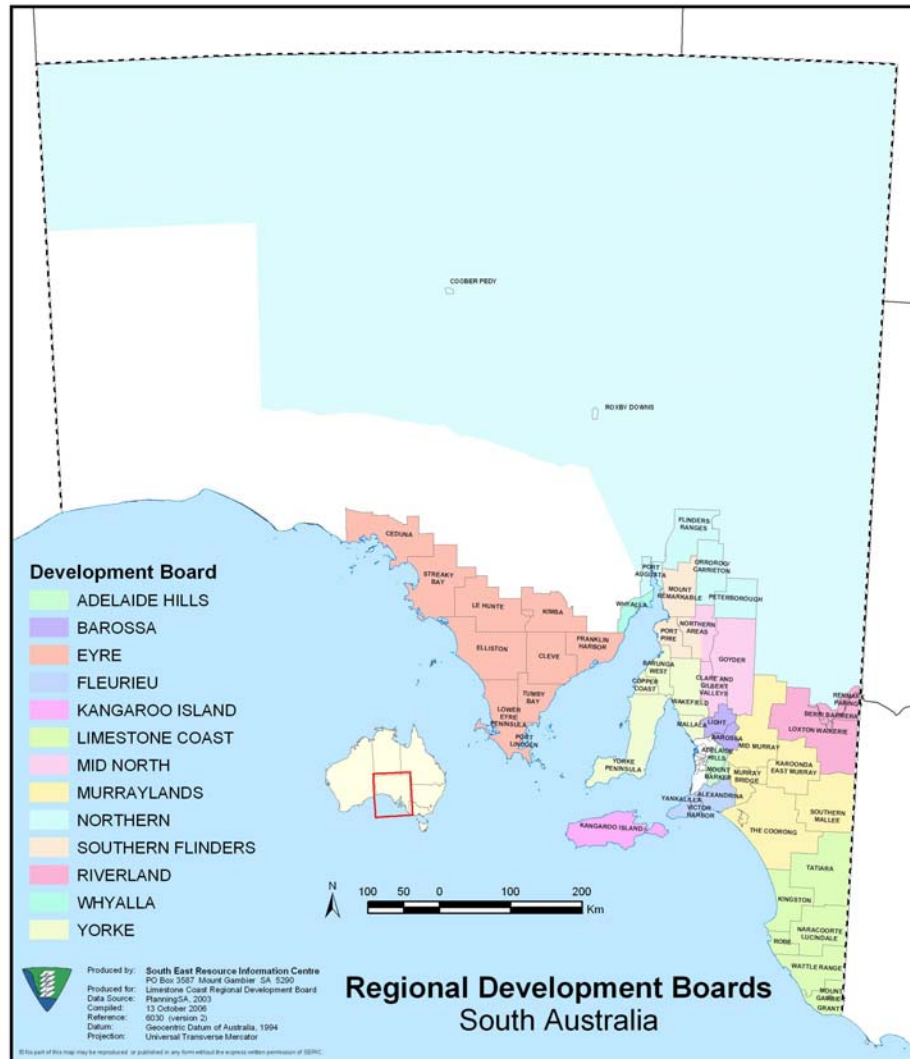
RECOMMENDATIONS:-

8. Regional Development Boards remain the principal service provider in regional South Australia, for State Government economic development initiatives and programs.
9. Regional Development Boards partner strongly with Councils to deliver increased economic development outcomes in local communities.
10. Regional Development Boards to drive regionalisation of the South Australia Strategic Plan and to implement, monitor and report against regionalised targets established in that Plan.
11. Regional Development Boards be the principal point of contact in the case management model for cross agency involvement in major regional economic development projects.
12. Regional Development Board representation be included to participate in Regional Facilitation Groups.
13. Regional Development Boards provide support, daily management and direction at the local level, to regionally based Departmental Case Managers, Export Advisors and other regional development project staff.
14. Ensure that all major project panels, formed for the purpose of regional projects, include representation from the relevant RDB.

Operational framework for regional development in South Australia



Regional South Australia



Regional South Australia is defined as the non-metropolitan regions of South Australia, ie all regions excluding Adelaide and for the purpose of this document as covered by the State's 13 regional development boards.

Factors which make regional South Australia different from non-regional South Australia

South Australia's regions are generally quite different, especially in terms of their contribution to the State economy but in relation to a number of the factors expressed below, consideration must be given to the needs of the regions and how their contribution to the State economy can be maximised. Obviously as regional areas are more closely linked to metropolitan Adelaide some of those factors have less impact on the performance of the region and similarly there is a case for assessing the performance of those regions as part of the overall State's performance.

- **Population distribution** – less than 30% of the State's population resides in regional areas, many of these in small to medium sized regional communities and a significant proportion of people making up the farming community across a vast rural landscape. Trends suggest that population in many small towns will decline in the future and this is likely to have impacts on the performance of many regional industries and local businesses.
- **Geographic Size** – South Australia is quite a large State and with more than 70% of its population in and around metropolitan Adelaide the consequences for rural people and the impacts on transport in particular are reflected in time and costs associated with travel and moving product to markets. We can recognise that it creates its own challenges to Government spend in regions.
- **Infrastructure capacity, reliability, access and cost** – due to the large geographic area of the State and the relatively sparse population, the cost of providing infrastructure and services can be challenging. In some cases, services are delivered at a cost which is subsidized by the metropolitan population base eg, cost of water. However, access to reliable, cost effective and quality infrastructure is critical for growth in more isolated parts of the State.
- **Predominance of primary industries and mineral development economies** – regional South Australia is a highly productive rural environment with a diversity of land based commodities and an important fisheries and aquaculture based seafood industry. Mining and minerals processing is a long established industry and in more recent times exploration and expansion in the northern parts of the State, represents significant opportunity for growth.
- **Remoteness, connectivity and access to global markets** – as mentioned when talking about the geographic size of South Australia, issues around the cost and time associated with travel impact substantially on the competitiveness of some sectors in global markets and create challenges for rural and regional residents.
- **Workforce availability** – increasingly regional areas are facing a declining and ageing population, which during periods of low unemployment, present significant challenges to some businesses and industry sectors to find suitable numbers of employees. Historically there have been difficulties in attracting workers to country areas and although we can argue lifestyle qualities associated with regional settings, other business input costs often mitigate against salaries being used as a key attractor. In addition inadequate infrastructure, particularly housing and opportunities for the "trailing spouse" also act as a deterrent in attracting workers.

The contribution that regional South Australia makes to the economic, social and environmental well being of the state

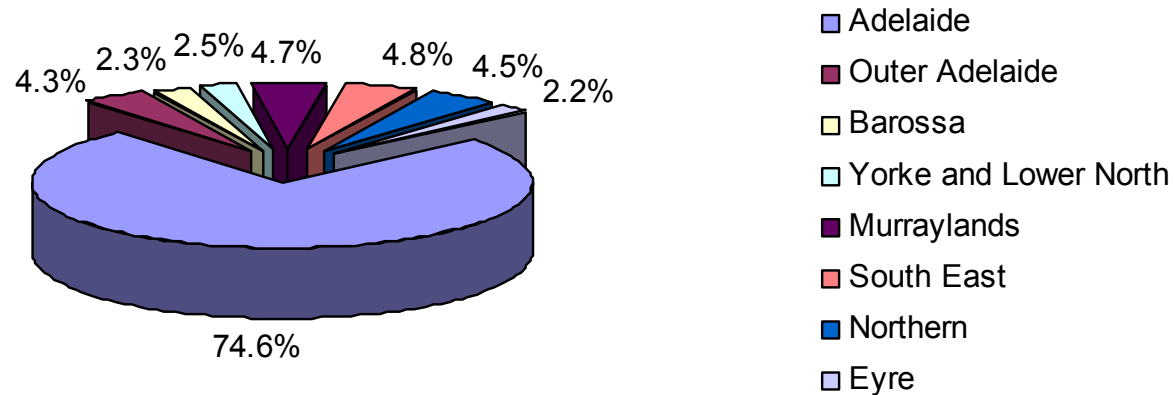
In May 2005 the Regional Communities Consultative Council, Local Government Association of SA and Regional Development SA contracted EconSearch Pty Ltd to prepare a report outlining the economic contribution that Regional South Australia contributes to the South Australian economy. Findings from this report entitled "Quantifying the Economic Contribution of Regional South Australia", are detailed below.

The definition of the regional boundaries for this study started with the State's 7 Statistical Divisions. Two adjustments were made to these standard regional definitions, to provide specification of 8 individual regions. First, Onkaparinga / Hills Statistical Local Area (SLA) was taken from Adelaide Statistical Division (SD) and added to Outer Adelaide SD. Second, the District Council of Mallala, Light and Barossa were taken from outer Adelaide SD to form a separate region of Barossa.

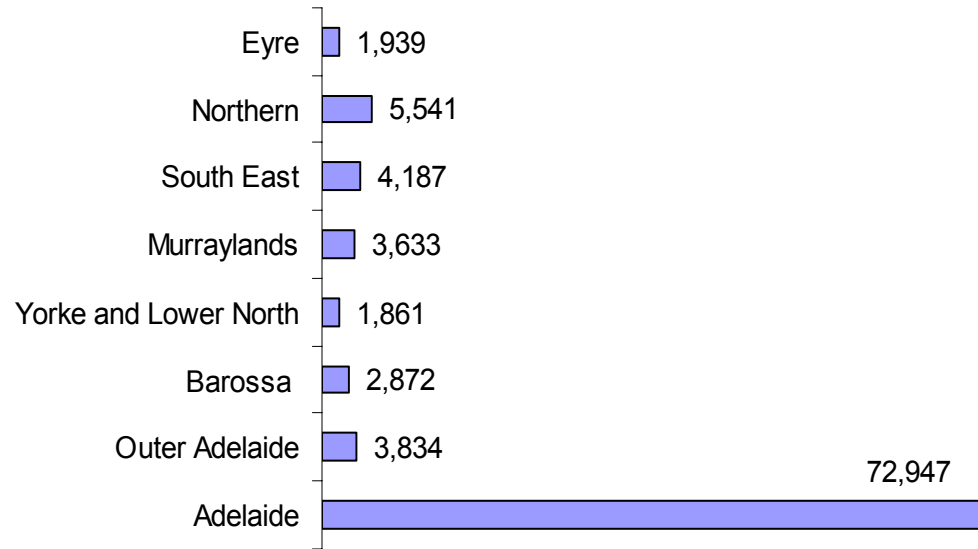
In the context of those 8 regions it is important to note that a number of the Regional Development Board regions were aggregated eg Murraylands and the Riverland are both listed as Murrilylands. Similarly, in the northern region Southern Flinders would be included in that area. For the purpose of this strategic document it is considered important to recognise and understand the local nuances.

In aggregate, regional South Australia was estimated to have contributed to the state economy in 2002/03 the following:-

25.4 PER CENT OF THE NUMBER OF FULL-TIME EQUIVALENT JOBS

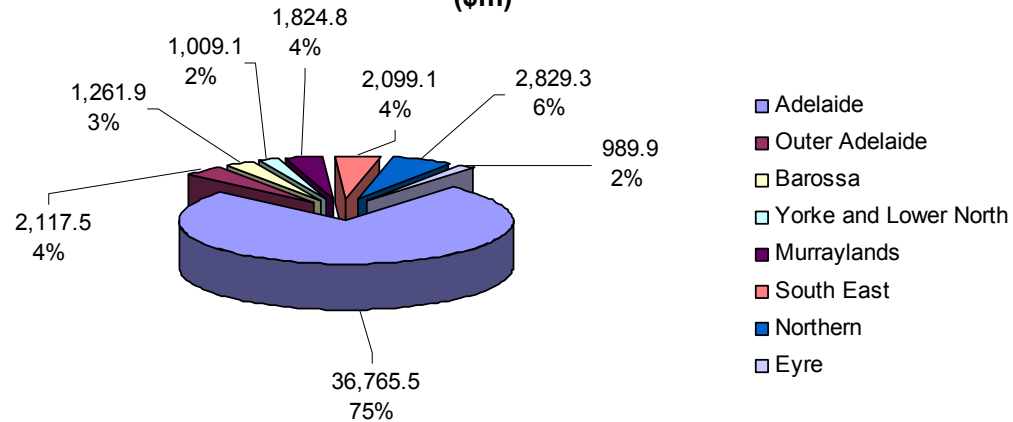


24.7 PER CENT OF THE TOTAL VALUE OF OUTPUT (ALL INDUSTRIES)
(\$m)



(29.9 per cent of other value added output – all industries)

24.8 PER CENT OF GROSS STATE PRODUCT
(\$m)



As well as:-

- 20.6 per cent of total household income
- 24.7 per cent of total household expenditure; and
- 27.4 per cent of the state's total population.

REGIONAL DEVELOPMENT SOUTH AUSTRALIA

Chairman: Ian O'Loan
Executive Officer: Grant King

REGIONAL DEVELOPMENT BOARDS:

	CHAIRMAN	CHIEF EXECUTIVE OFFICER
Adelaide Hills Regional Development Board Inc	Jeff Mincham	Bob Goreing
Barossa & Light Regional Development Board Inc	Ivan Limb	Roy Blight
Eyre Regional Development Board Inc	Jeff Pearson	Mark Cant
Fleurieu Regional Development Inc	John Crompton	Barry Featherston
Kangaroo Island Development Board Inc	John Lavers	Adrian Scott
Limestone Coast Regional Development Board Inc	Dale Baker	Grant King
Mid North Regional Development Board Inc	Jeff Burgess	Colin Rawnsley
Murraylands Regional Development Board Inc	Graeme (Sam) Godden	Brenton Lewis
Northern Regional Development Board Inc	Andre Kuys	Jerry Johnson
Riverland Development Corporation Inc	Philip Sims	Ken Smith
Southern Flinders Ranges Development Board Inc	John Banfield	Mark Malcolm
Whyalla Economic Development Board Inc	Paul Johnston	Steven Arndt
Yorke Regional Development Board Inc	Ian O'Loan	Warwick Welsh