

Dear Productivity Commission

Re: Transitioning Regional Economies Initial Scoping Report 2017

10-08-2017

Sorry for my tardy delay [amended submission as requested with required references]. I intended to write a more detailed submission, but I am completing my thesis at the moment on regional innovation and economic development systems - namely the role of industry and university collaboration in the product innovation space.

I feel and think that the overall focus upon regional resilience is somewhat lacking a framework or connection to regional economic development theory and practices. For regional resilience to be monitored it needs to have a starting point and an end point - aspirational or desired outcomes or otherwise. A regional area will be resilient only to the extent in which a regional economic development strategy exists.

Such strategy can outline the aspirations of the region and in particular how it can sustain itself in terms of economic activity, growth and development. This growth can be based on its regional comparative advantage, development of its business capacity with improved collaboration with places of knowledge and learning, such as Universities and R&D centres (CSIRO, and private research institutions etc.). Resilience needs to be based on targets that can ensure industrial and business innovation activity, production of new technologies industries, advanced manufacturing, and the planning of human settlements such as regional growth centres, etc.

Resilience must be seen in terms of innovation capacity of the region, and this capacity must be linked to the overall national economic strategy and the industry growth centre initiatives <https://industry.gov.au/industry/Industry-Growth-Centres/Pages/default.aspx> How a regional area remains resilient, viable and vibrant must be determined from a 'place' based grass roots level and private investment (local and or direct or indirect foreign investment – venture capital for an example) opportunities for industrial development in diverse sectors.

Regional resilience must be seen in view of regional economic development and innovation. Regions can remain viable if they are part of the overall economic structure that is linked with technological change and industrial diversification into opportunities such as tapping into global market supply chains. Refer to the Australian Governments own **Global Innovation Strategy** <https://industry.gov.au/innovation/GlobalInnovationStrategy/assets/Global-Innovation-Strategy.pdf>

A regional footprint must link to the various **NISA programs**
<https://industry.gov.au/industry/Pages/Industry-Innovation-and-Competitiveness-Agenda.aspx#header> along with other initiatives of the RDAs, State and Local Governments.

I make specific reference to a timely article entitled '*Innovation and regional economic resilience: an exploratory analysis*' by Gillian Bristow and Adrian Healy (2017) that can be found on open access publications via <https://link.springer.com/content/pdf/10.1007%2Fs00168-017-0841-6.pdf> and there is a wealth of additional literature found at <http://rsa.tandfonline.com/toc/cres20/50/4?nav=tocList> which positions the concept of regional resilience in context of economic development - namely the innovation agenda.

Regards

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