

# **Transitioning Regional Economies – Initial Report**

## **Cradle Coast Authority Submission**

**25 July 2017**

### **Introduction**

This submission builds on a meeting between the Cradle Coast Authority and representatives of the Productivity Commission, held in Burnie in Tasmania's North West, on 6 June 2017. The purpose of this submission is to expand on some of the key points discussed in the meeting.

While mining is a major contributor to the Region's economy, other key export sectors such as manufacturing and processing, dairy and agriculture are also susceptible to major shocks, so we welcomed the opportunity to discuss our regional economy more generally.

The meeting reinforced the importance of effective regional development policy development and regional governance in helping to build adaptive capacity.

### **About the Authority**

The Authority is owned by the 9 partner Councils that make up the North-West Region of Tasmania (the Cradle Coast). It represents the Region's Councils and is a significant collective investment in building a vibrant, capable and resilient Cradle Coast Region.

The Authority exists to support collective action by connecting communities, business and government to work together for the good of the Region. Along with its role in regional development, the Authority is the recognised regional management body for tourism and natural resource management.

### **Submission**

Regions exists within an increasingly complex world with change and disruption reshaping our economy and way of life. Not responding effectively to change puts our wellbeing and prosperity at risk.

Our businesses and communities are resilient and recognise that major shocks from time to time are inevitable. Local communities and the Tasmanian and Local Governments have a history of responding well to and rebuilding after such shocks, but such support happens after the fact.

The Region is complex and made up of dispersed places, communities and industry sectors that are all linked by strong geographical, social, cultural and economic relationships and mutual interdependence. While we enjoy some comparative natural, social and economic advantages, we also face pockets of relative disadvantage and deeply embedded structural challenges, such as static / ageing population growth; lower educational attainment and workforce participation and higher welfare dependency and preventable health issues.

These challenges align with those identified in the Interim Report and impact our communities in their own unique ways. However, it is the combined effects of these challenges that limit our contribution to economic growth and impact on our capacity to respond to change. Tackling these entrenched, interrelated issues is crucial, however, market mechanisms alone will not lead

to improving a Region's adaptive capacity. This suggests that regional public policy has a key role to play.

The issues that underpin many of these challenges do not confine themselves to municipal boundaries, industry sectors or government silos. Effective solutions and related policy and strategy responses need to be able to cross boundaries and include more integrated and coordinated government support.

This suggests that regional policy should focus its efforts on improving regional competitiveness by developing human capital and improving connectivity and collaboration; building scale and specialization; and key related infrastructure such as telecommunications and transport.

Regional economic and community development is a crowded space with all the 3 tiers of government and numerous related institutions all active and often operating independently. This can lead to duplication, inefficiency and confusion.

We believe there is a need to rethink how such policies and strategies are developed and implemented. Change is occurring faster than our traditional ability to plan and act. We need new, agile and adaptive approaches to development that focus on supporting people in regional communities to take more responsibility for their own problems and to adjust to their own changing social and economic circumstances. Such approaches will only work if they:

- Are led by communities, in partnership with government
- Build on the region's specific strengths
- Are delivered at effective functional rather administrative scales
- Include investment in developing the capability of people in communities to deal with transition and adaptation
- Include a system of governance, collective leadership and backbone support

The Authority is a unique form of regional governance in Australia and is well placed to help strengthen the development potential of our communities, businesses and places in the Region. It can achieve this by providing the regional leadership, shared understanding, governance and facilitation to support solutions that are best tackled through collective action.

We would welcome the opportunity to elaborate further on this submission and explore the role of such governance in building the adaptive capacity of regions. Should you require further information relating to this submission, please contact Mr. Peter Murden (Regional Development Manager)

Yours sincerely

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Board Chairman  
Cradle Coast Authority