

Regional Outlook 2019 AUSTRALIA

Regional Development Policy in Australia



General policy approach

Australia's state and territory governments assume the primary role in regional development, with the national government (Commonwealth) acting as a key investor in regional and urban development infrastructure. The majority of funds for infrastructure are associated with transport, and a few smaller programmes support other infrastructure needs for community and regional development. Further funding programmes include subsidies for public services in remote locations, along with tax offsets for individuals in those locations.

Co-funding is a requirement of most grants provided by the Australian government for regional development, with state governments regularly co-funding regional development grants. Several business development programmes are also promoted, along with national research and cluster programmes that can support regional development. Australia's Council of Australian Governments is the foremost intergovernmental forum in Australia and is an important facilitator of multi-level governance in Australia.

Recent policy changes

- The Australian government has implemented a number of funding programmes to enable regional development. For example, the Regional Jobs and Investment Packages programme consists of ten locally led pilot projects, enabling stakeholders in each pilot region to determine local priorities and growth industries to drive economic growth and job creation in their region.
- The Australian government's City Deal programme enshrines formal agreements with state and local governments. City deals bring together the three levels of government, the community and private enterprises to create place-based partnerships, including in a number of regional cities. Each deal aligns the planning, investment and governance necessary to accelerate growth and job creation, stimulate urban renewal, and drive economic reforms.
- As there is significant interest in adapting city deals to regional Australia, the government has been considering options that complement current investments in regional Australia.
- The Australian government, alongside state and local governments, funds 52 regional development Australia (RDA) committees, representing all regions across the country. These committees are made up of local leaders who work with all levels of government, business and community groups to support the development of their regions. In particular, the RDAs are focused on connecting local businesses to industry in order to create more jobs and attract more local investment.
- The Australian government is continuing to deliver on its decentralisation agenda, for example through a recent House of Representatives Select Committee report on regional development and decentralisation (*Regions at the Ready*). More decentralisation initiatives will be announced throughout 2018-19.

Institutional arrangements to prepare for global megatrends

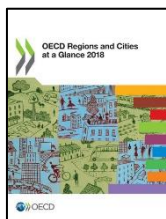
At the national level, the 2017 strategy document “Regions 2030: Unlocking opportunity” outlines the Australian government’s regional development agenda. To support the development of the strategy, a ministerial taskforce was established and is chaired by the Prime Minister. The work of the taskforce builds on the Agricultural Competitiveness White Paper and the White Paper on Developing Northern Australia. As such, the strategy places regional Australia at the heart of government decision making, where implementation is realised through investment and activity in five focus areas across government: 1) jobs and economic development; 2) infrastructure; 3) health; 4) education; and 5) communication.

Additionally, the quinquennial intergenerational report presents projections about future population, and the expected impact on economic growth, workforce and public finances. Such projections are taken into consideration when determining the migration programme, infrastructure investments and other policy settings.

Subnationally, several state governments have undertaken long-term strategic regional planning. For example, the state government of New South Wales (NSW) released a 20-year economic vision (“The Vision”), outlining its vision for economic development in regional NSW. The NSW state government assisted local councils to develop regional economic development strategies based on the concept of functional economic regions. They enable faster access to dedicated state funding and may be used to support other types of government grant applications. Similarly, the Victorian state government has established nine regional partnerships. Through ongoing consultation, including nine annual regional assemblies, the partnerships ensure that regional communities have a greater say about what matters to them, and that the voices of these communities are heard by the government.

Looking for statistical information to complement this?

Take a look at our publication Regions and Cities at a Glance:



<https://oe.cd/pub/2n9>

OECD Regional Outlook 2019: Leveraging Megatrends for Cities and Rural Areas

The 2019 edition of the *OECD Regional Outlook* examines the regional dimensions of global megatrends and their implications for the well-being of people living in different places. It discusses how place-based policies, public investment and multi-level governance reforms can respond to these megatrends to revive productivity growth, reduce inequalities, improve quality of life and increase sustainability.

Consult the full publication and the other country profiles on line: <https://oe.cd/pub/2vq>.

