

International Economic Development Conference 2012

Cairns, Queensland, Australia

Local Government & Economic Development: A National Survey

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This morning...

- Let's re-visit 'economic development' and local govt.
- The local government survey - key findings
 1. Resourcing economic development
 2. Economic development issues and responses
 3. Economic development partnering
 4. KPIs
- What focus for LG and economic development?

Defining 'Economic Development'

'Economic Development' is the process of expanding the size of the economy (increasing an area's level of income and capital / wealth) and distributing that wealth (through local expenditure and employment) to the community.

Defining 'Economic Development'

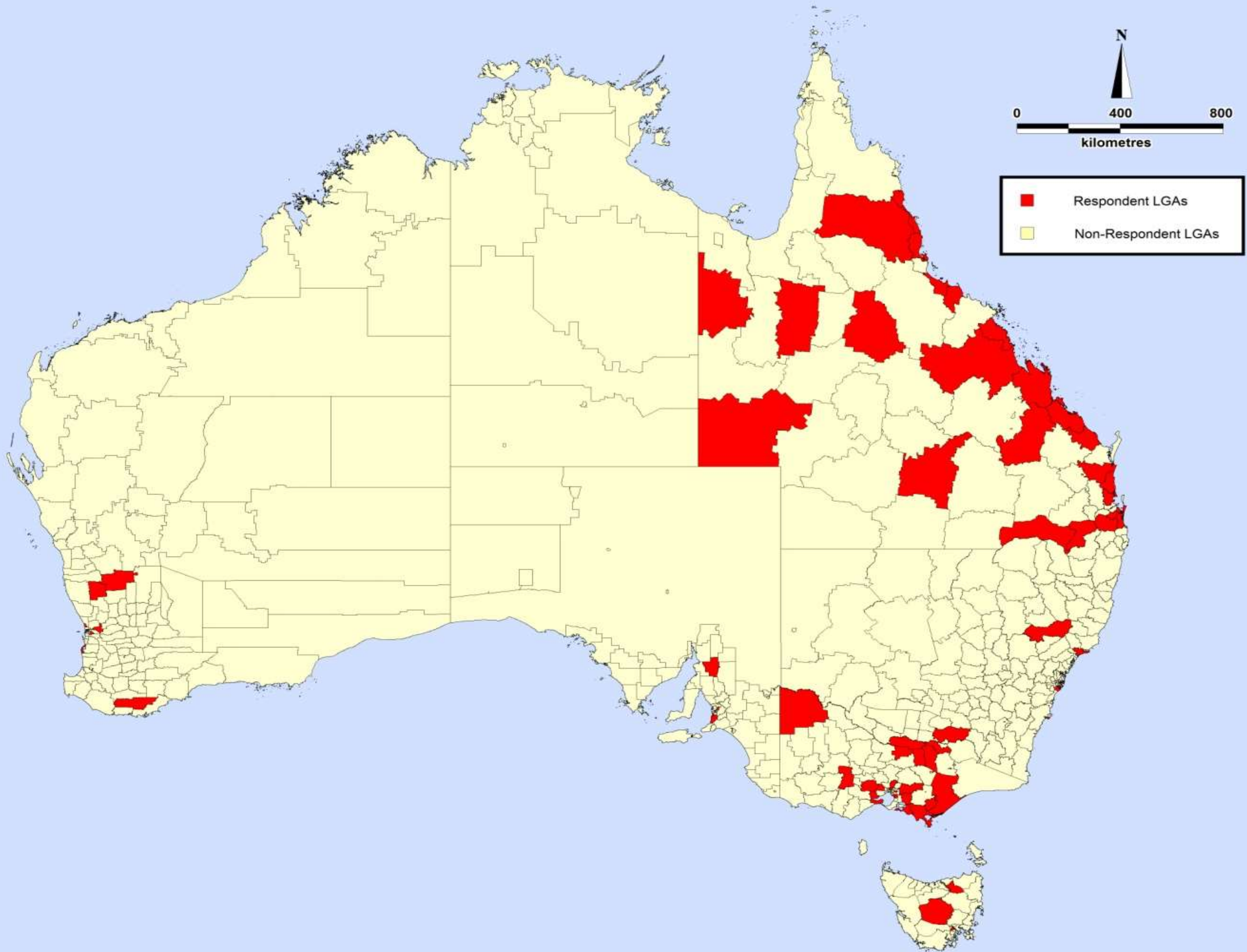
- Economic development is typically measured in terms of jobs and income.
-but also includes improvements in education, health, lifestyle & 'liveability', environmental sustainability and community well-being.
- LG can influence all of these things.

The Role of Councils: some considerations

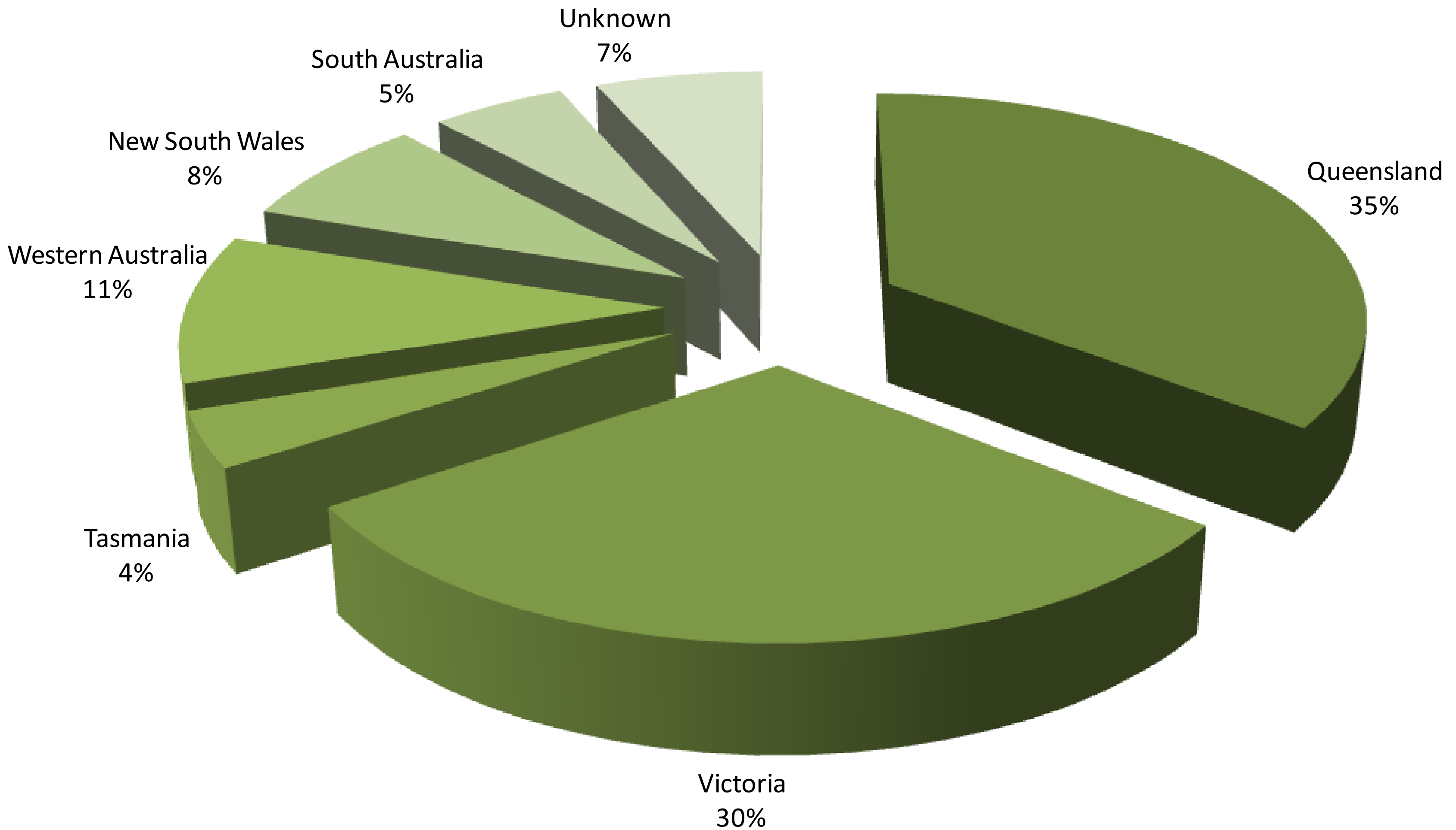
- What is the role of LG in economic development facilitation?
- What are Councils doing? How are they funding eco. development?
- How do Councils measure their ED performance?
- What focus for Councils to continue to develop their role in economic development facilitation?

The National Survey of Local Government & Economic Development

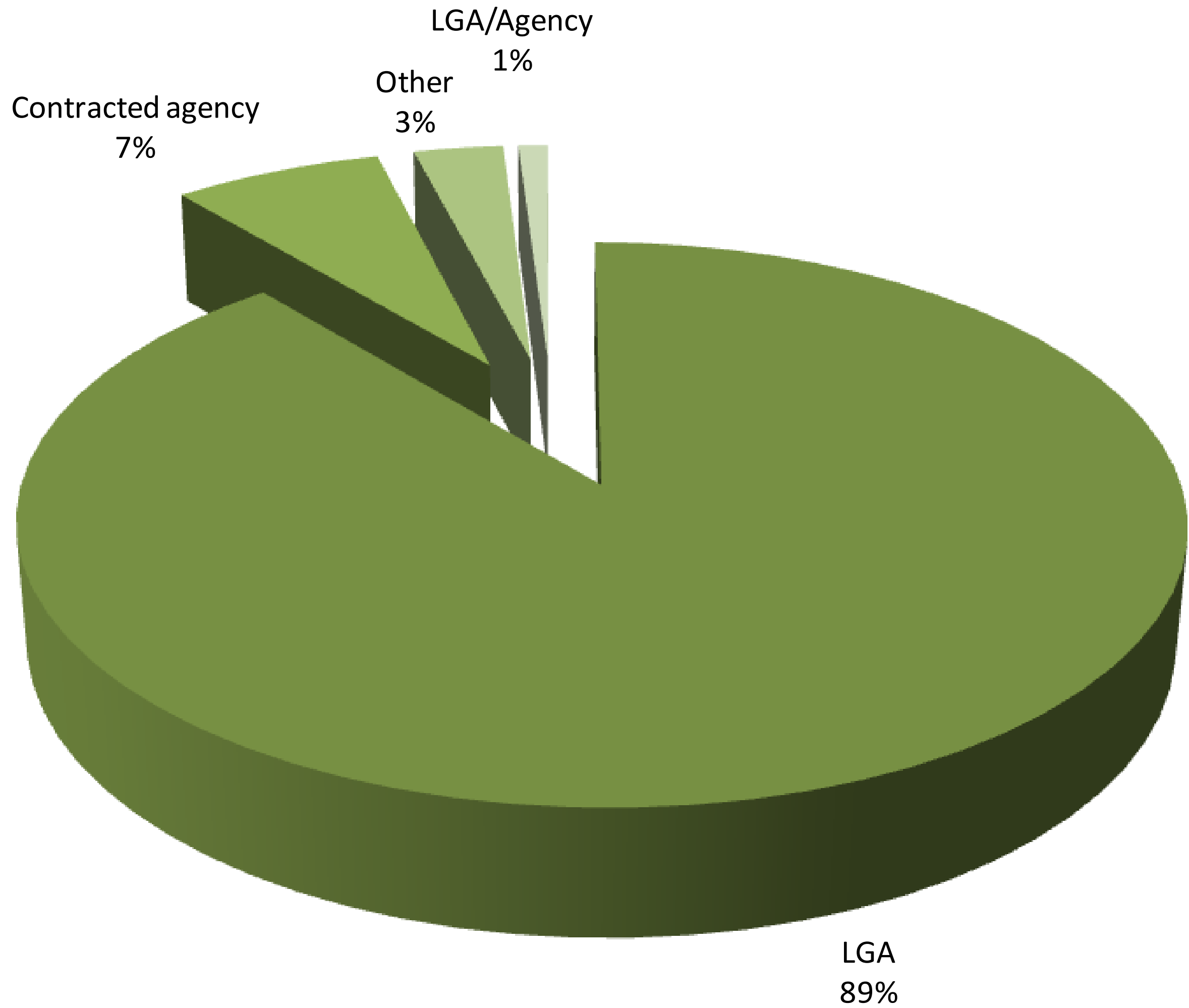
- 72 LGAs
- 13% of all LGAs in Australia
- 28% of the population
- Distributed across all States (with variations)



Respondents by State



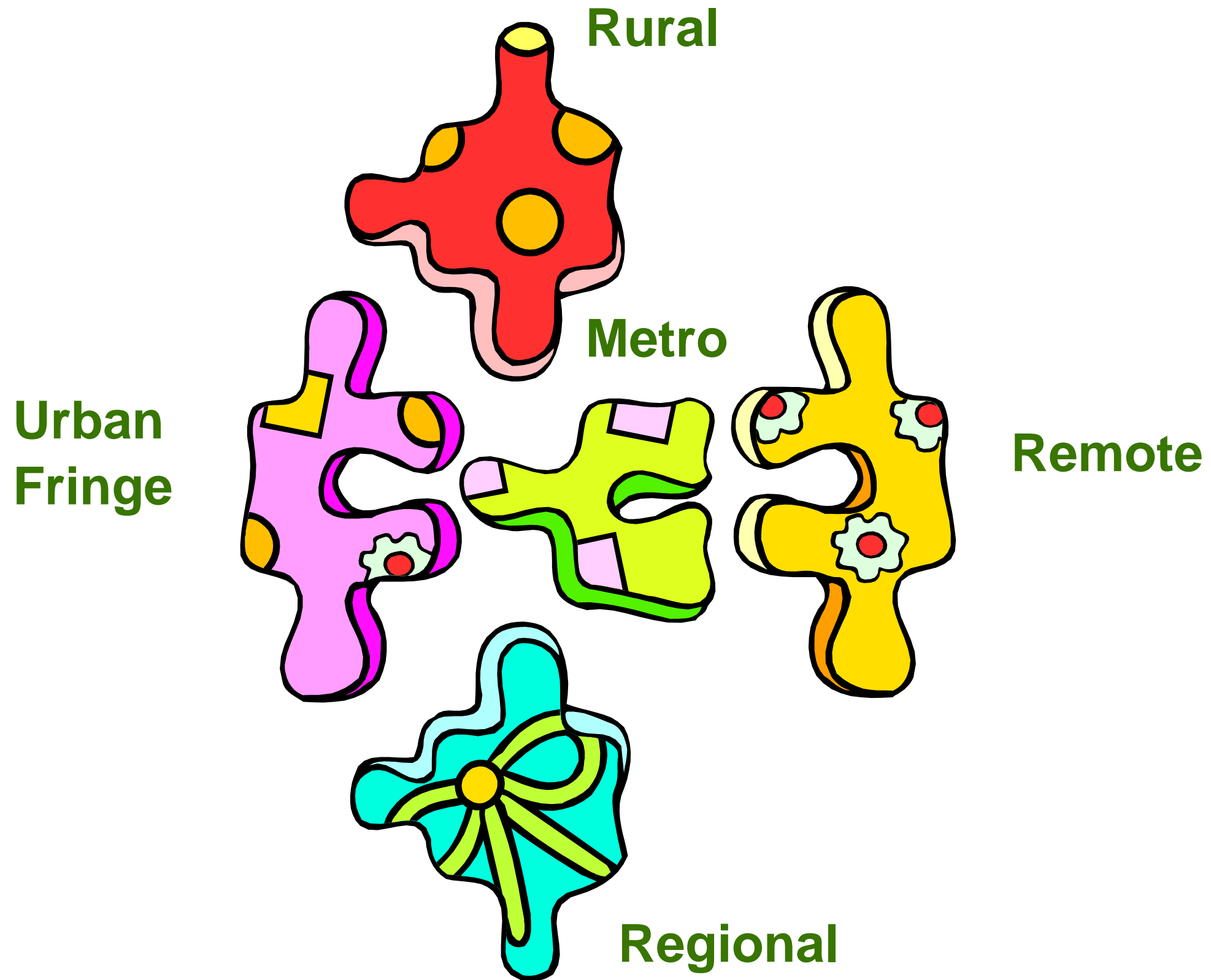
Respondent Organisations



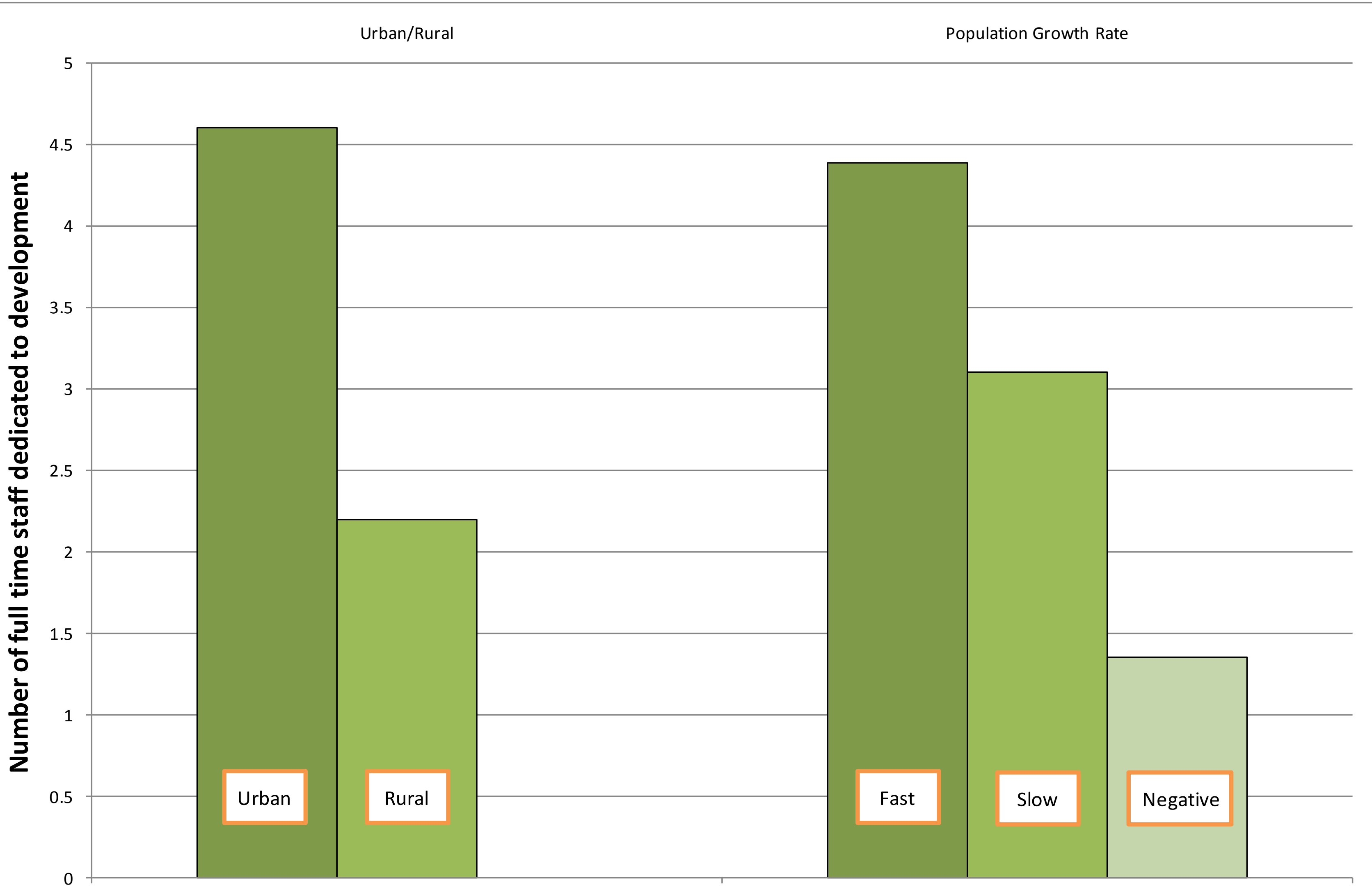
Resourcing Economic Development

Respondents were questioned on the number of employees dedicated to ED and the level and source of funding for day-to-day, and project-specific operations.

The Regional Development Jigsaw



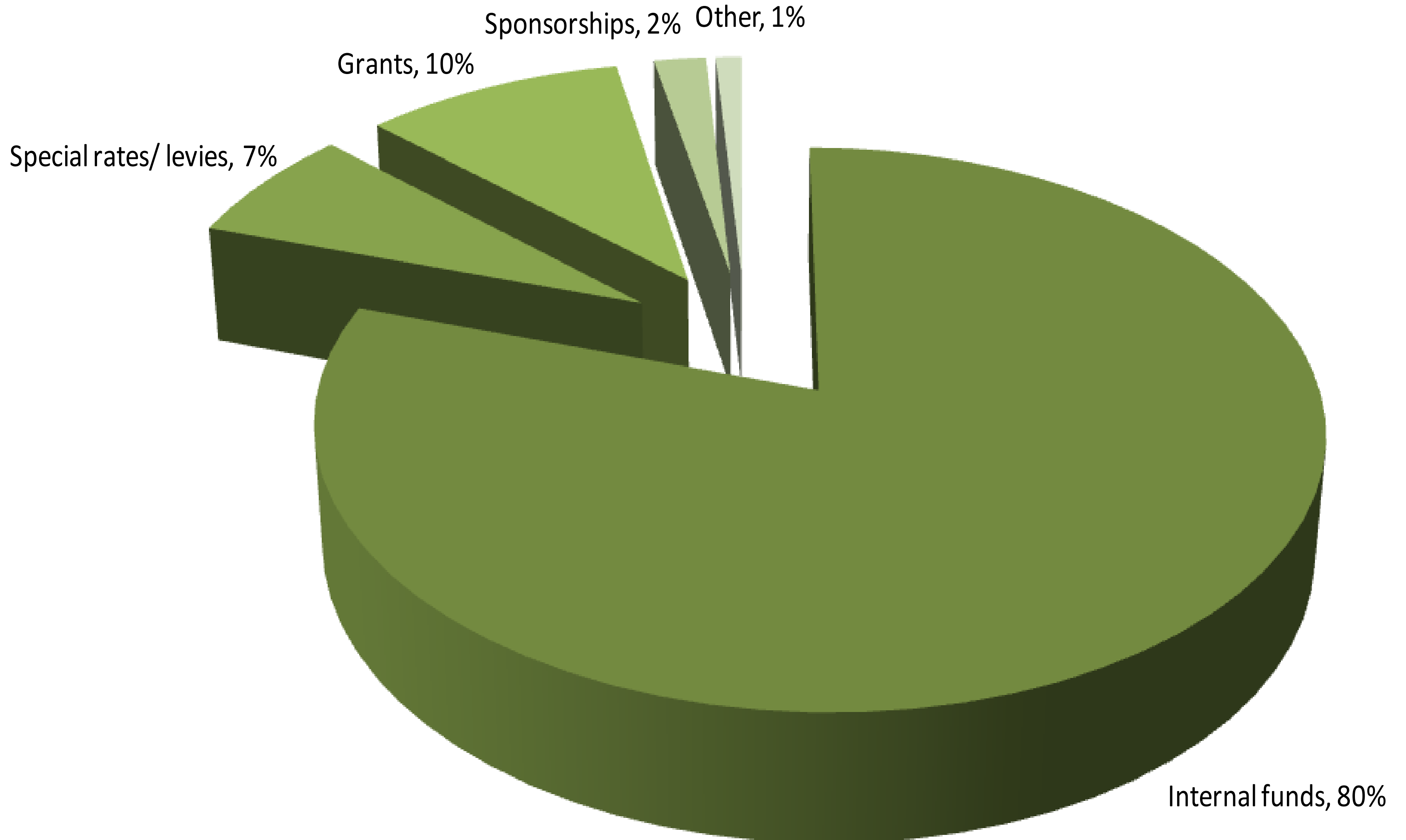
ED Employment



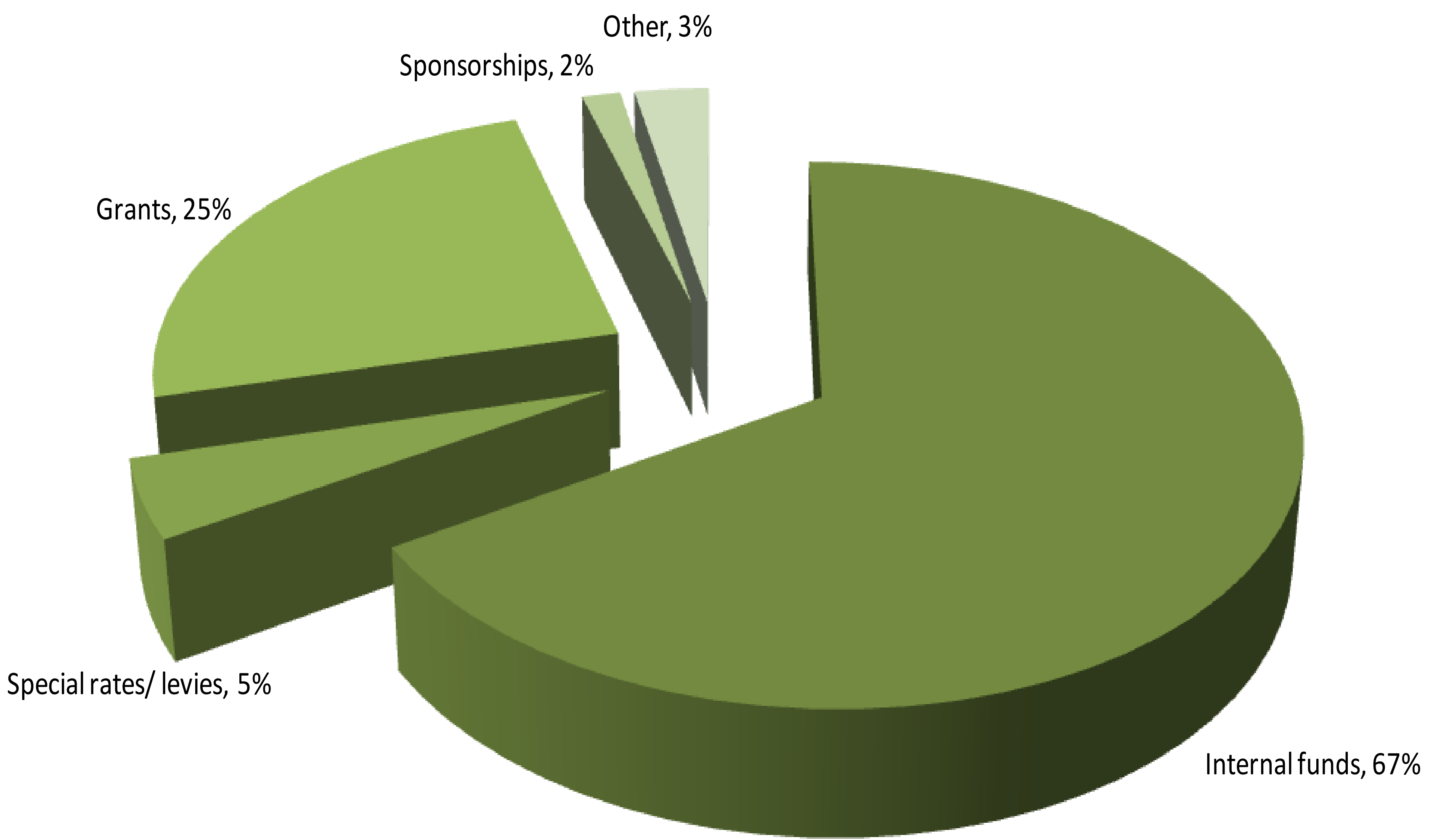
ED Employment

	Segment	Avg. FTE
Region	Urban	4.6
	Rural	2.2
Population Growth	Fast growth	4.4
	Slow growth	3.1
	Negative growth	1.4
Total Responses		3.4

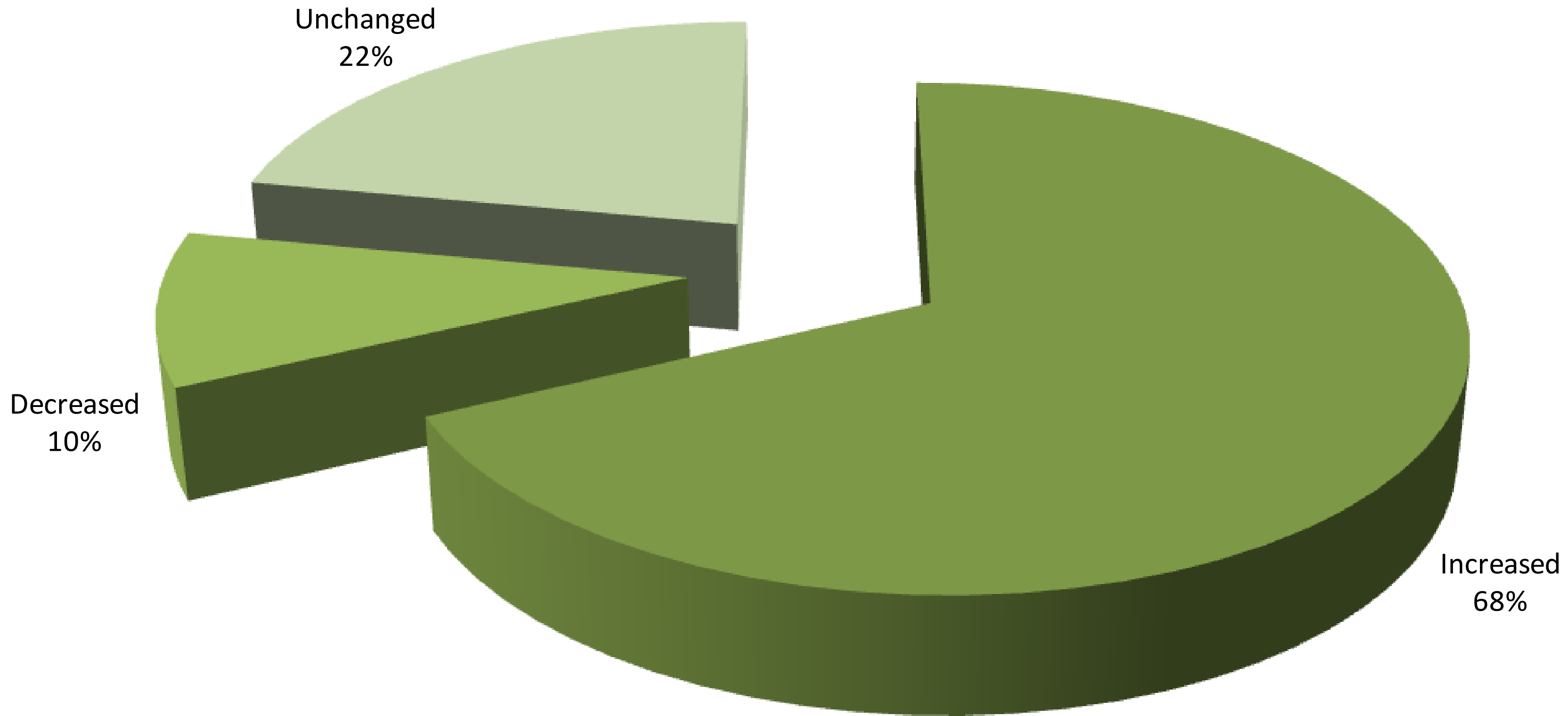
ED Funding (Operational)



ED Funding (Project-related)

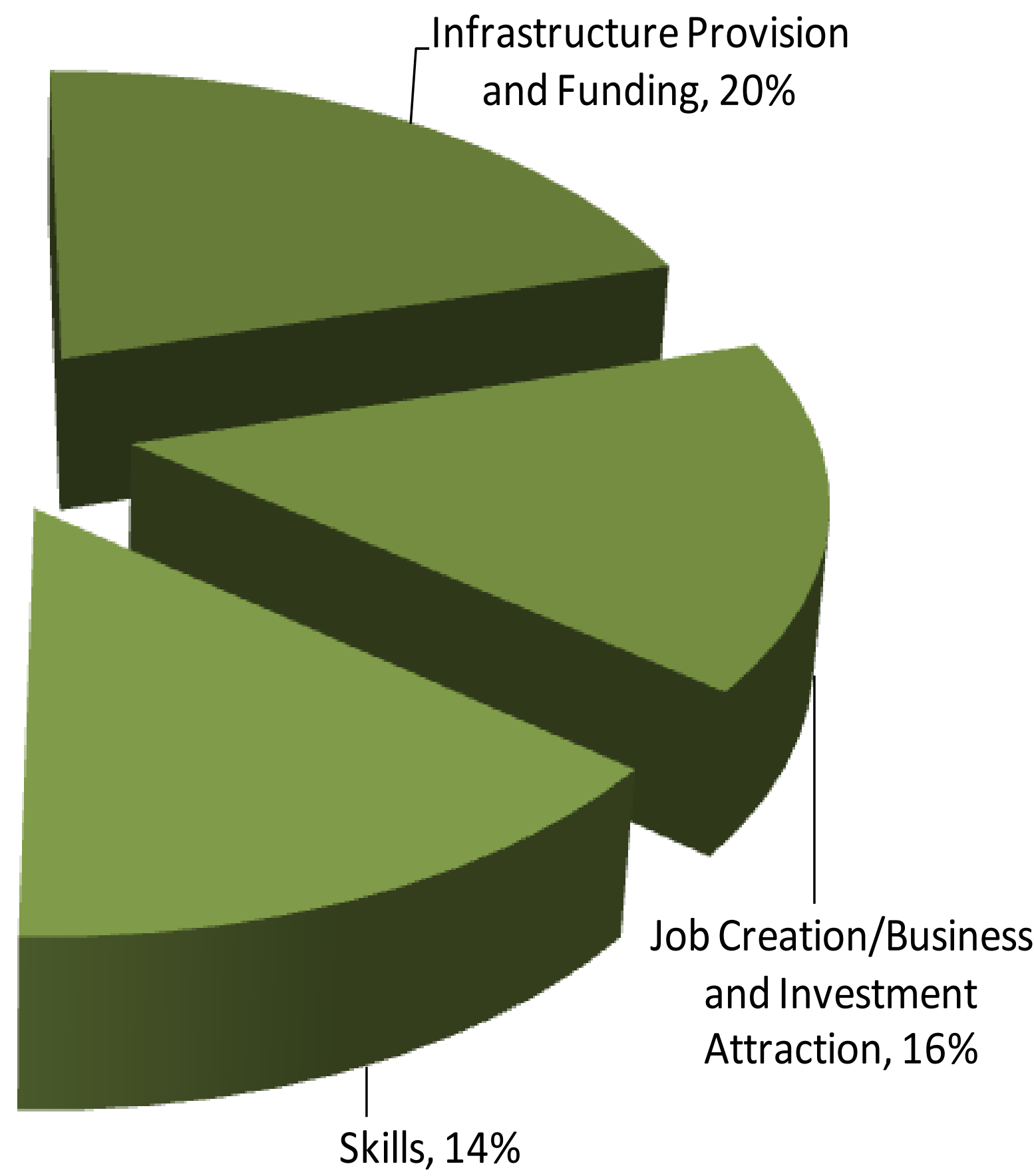
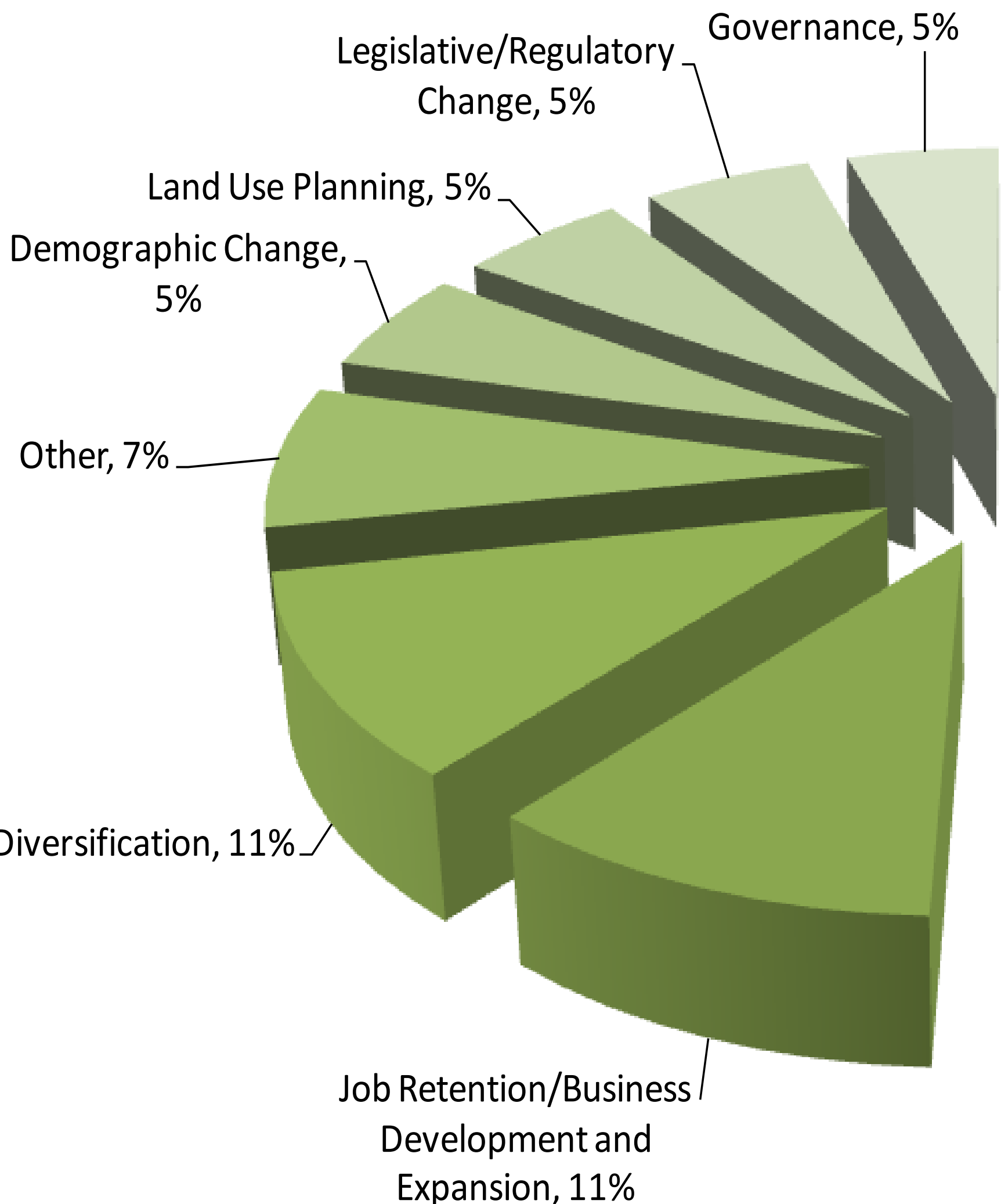


Funding Trends

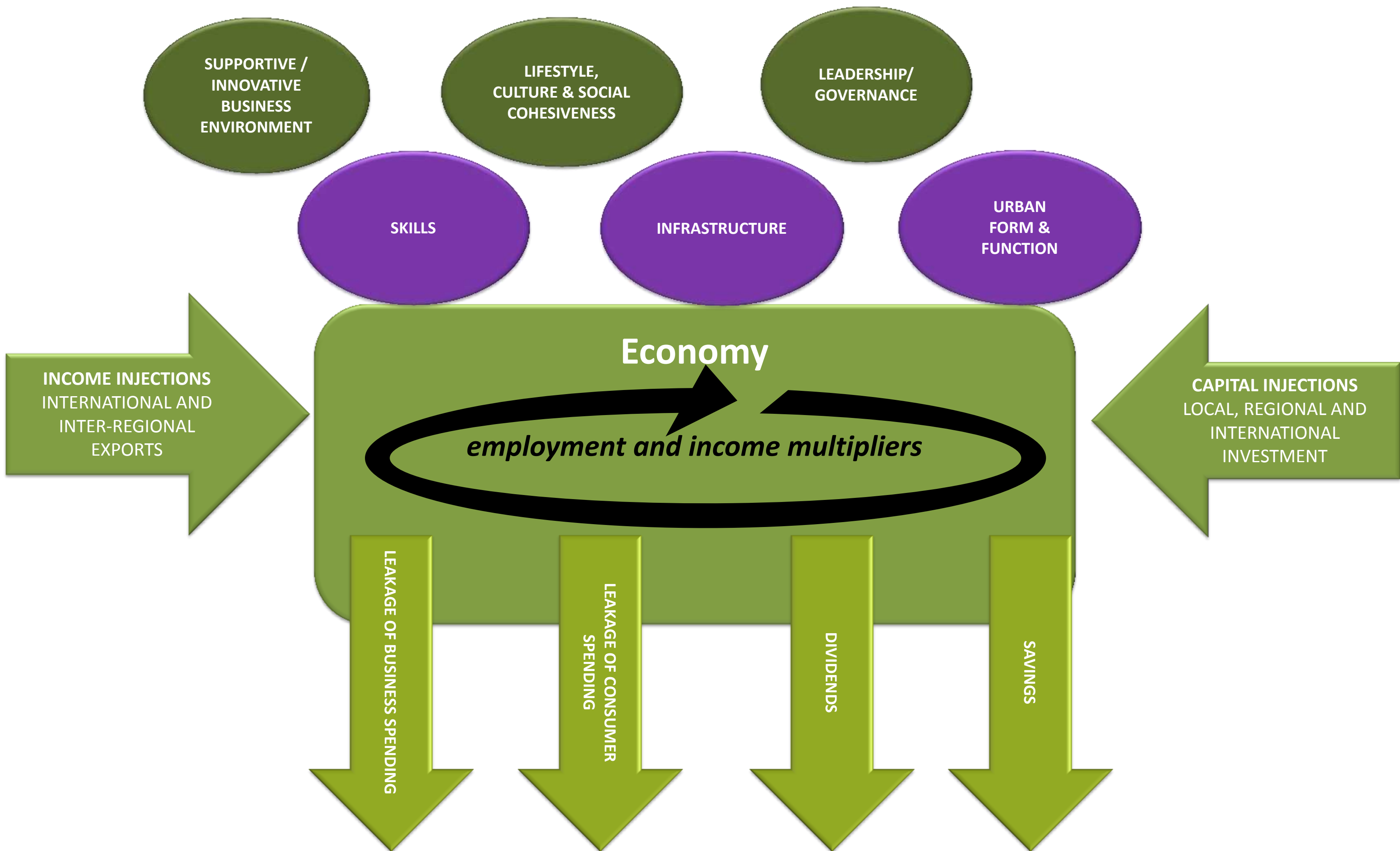


Economic Development Issues & Responses

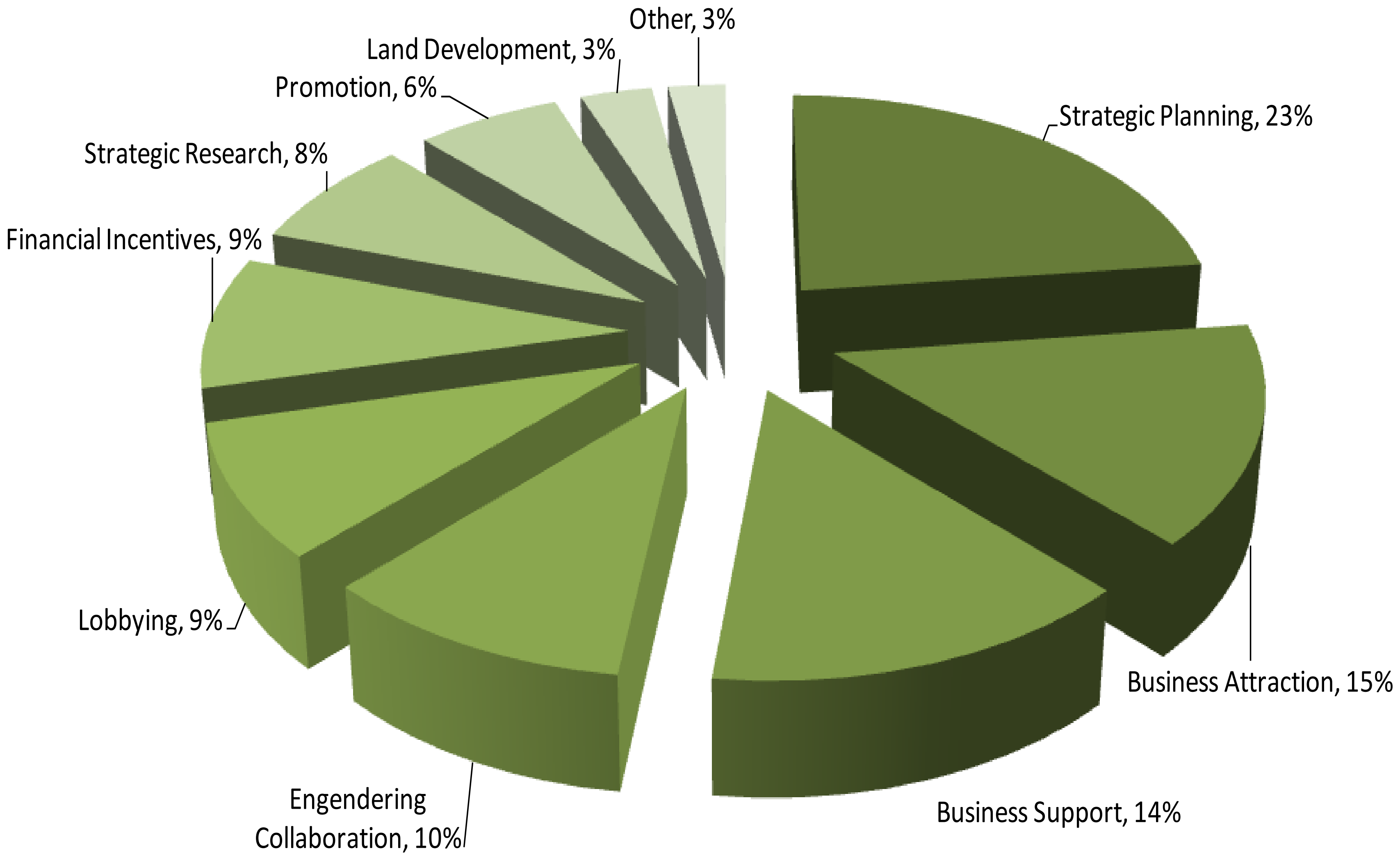
To further understand the issues and challenges faced by development organisations a series of questions relating to the challenges, tools/levers and assessment criteria faced, and used by development organisations were enquired about.



ED Issues – the ‘Enablers’



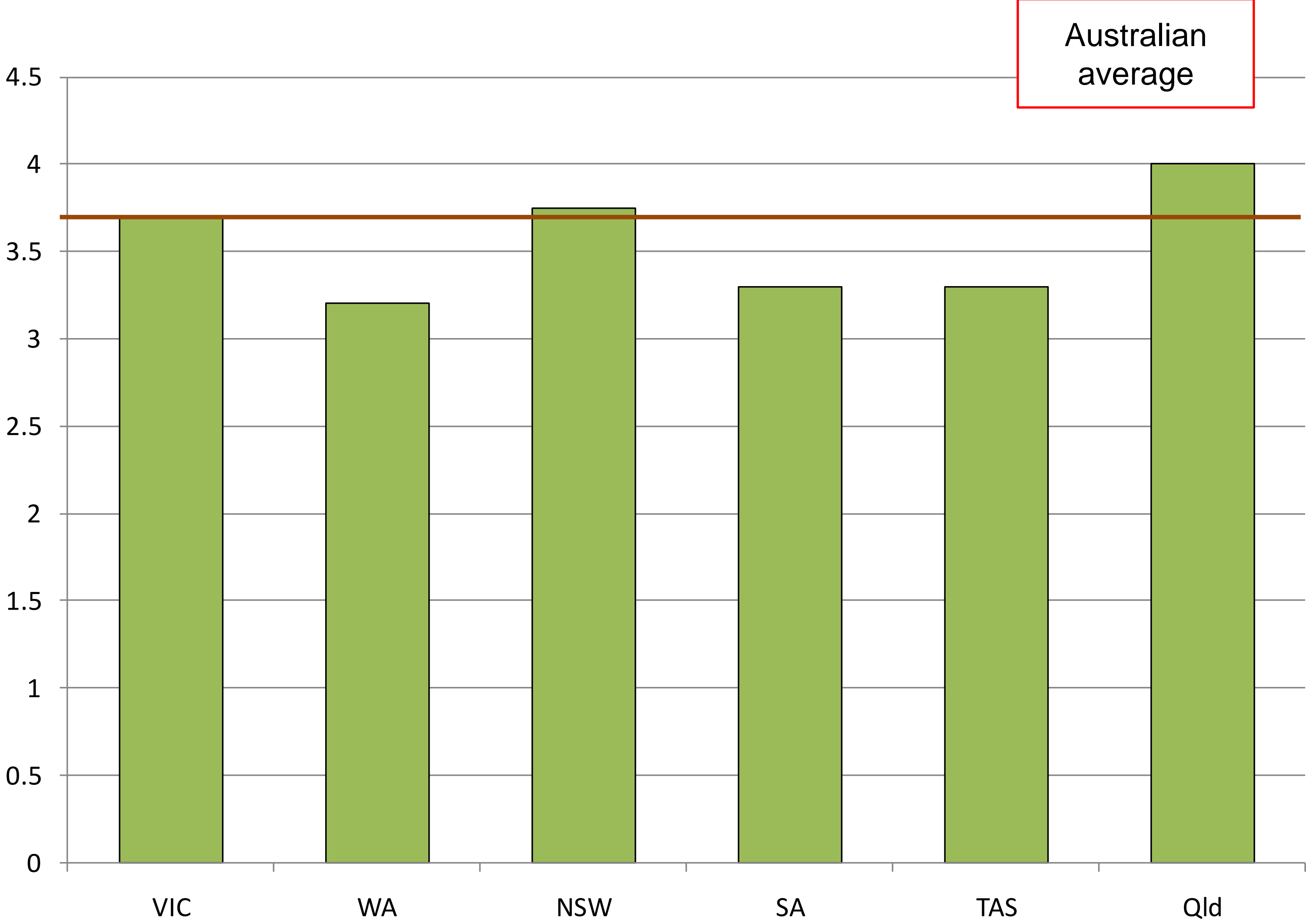
ED Responses (Activities)



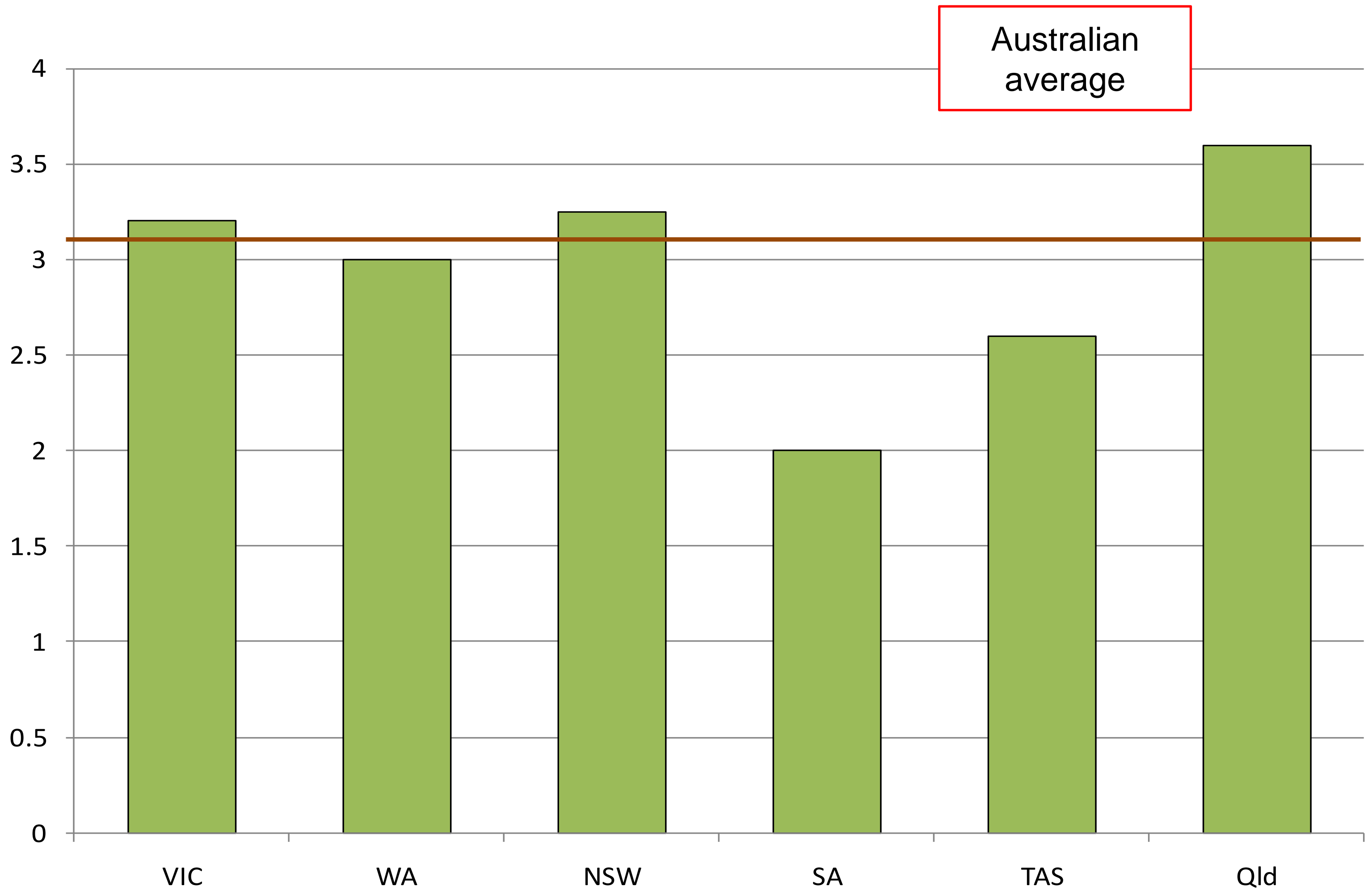
Partnerships & Collaboration

Respondents were asked to assess their level of collaboration with both State Government and Regional Development Agencies on economic and development issues.

State Government Collaboration



Regional Development Agency Collaboration



Key Performance Indicators

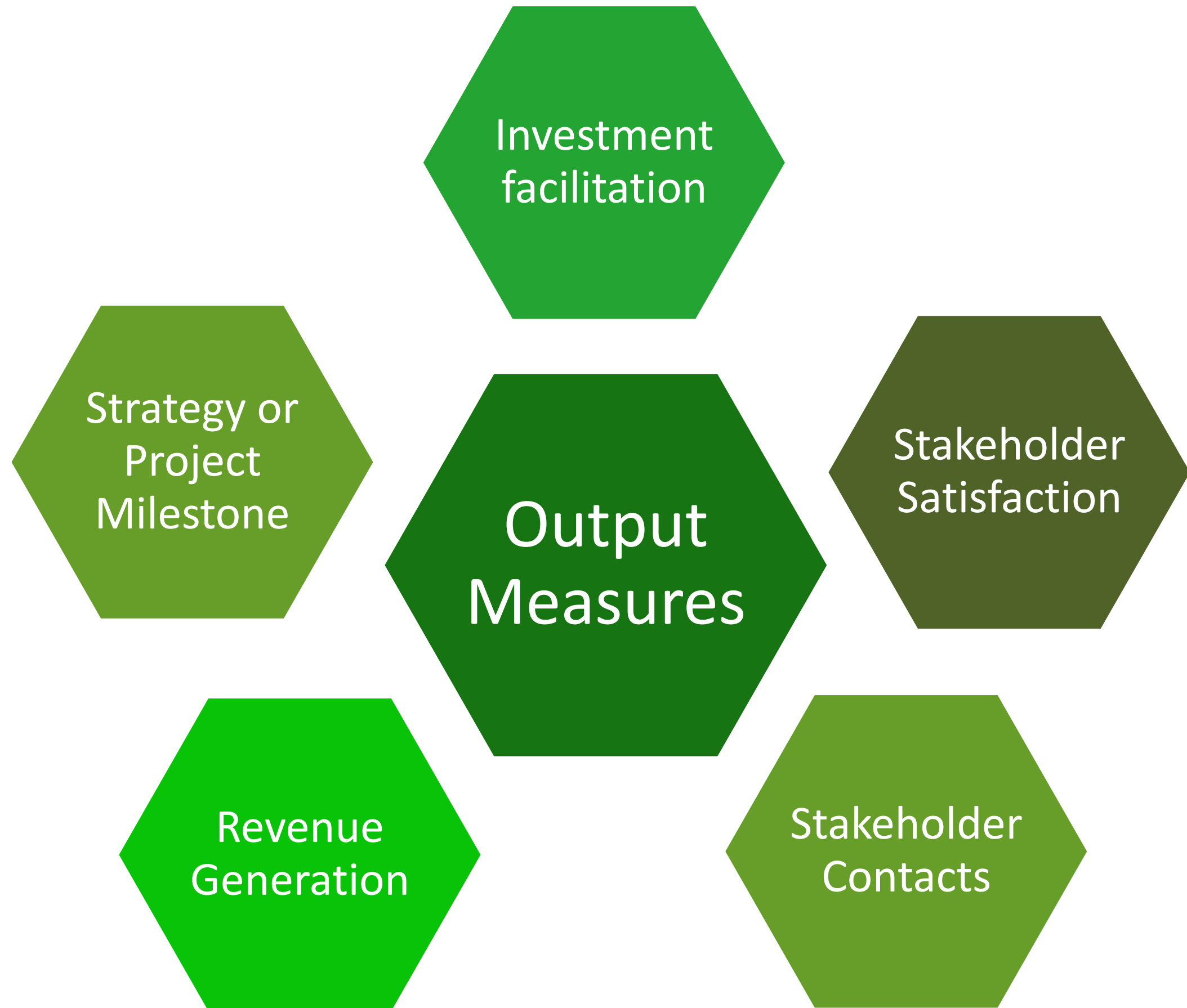
The survey revealed two broad categories of KPIs:

- 1. Outcome** measures; broad development outcomes at the LGA level, such as Jobs and skills.
- 2. Output** measures; business investment, stakeholder satisfaction, project milestones, etc.

KPIs – 3 Outcome Measures



KPIs – 5 Output Measures



These are the things ED Units can rate themselves against

KPIs – 5 Output Measures

Indicator Category	Indicator Measure
Economy	<ul style="list-style-type: none"> • GDP per capita • Total employment by industry sector • Labour productivity (GDP per hour worked) • Wages (reflected in weekly household income)
Governance	<ul style="list-style-type: none"> • Perceived confidence in key institutions • Perception of government efficiency • Number of, and membership levels of, representative institutions
Business and Investment	<ul style="list-style-type: none"> • Business turnover generated • Net firm creation rate (new start-ups minus closures) • Percentage of exporting firms • Exports per capita
Urban Development and Infrastructure	<ul style="list-style-type: none"> • Number of residential building commencements • Value of non-residential building construction • Vacancy rates of commercial and industrial buildings • Housing affordability (average house price over average income) • Broadband connectivity per 100 households
Skills and Labour Force	<ul style="list-style-type: none"> • Percentage of working age population with a bachelors degree • Percentage of working population with TAFE qualifications • Percentage of working population with no qualifications • Labour force participation rate • Unemployment rate (total unemployed persons over total labour force)

Local Govt. ED Activities

1. Managing a coordinated approach

- Lobbying and coordinating funding submissions ★
- Collaboration ★
- Promotion

2. Supporting a conducive business/people environment

- Strategic planning ★
- Strategic research / information provision & referral

3. Facilitating local investment, business & emp. growth

- Facilitating business networks & clusters
- SME and micro business support ★

4. Attracting / facilitating new investment

- Catalyst project / land devt. / infrastructure investment
- Business attraction (inc. financial incentives) ★

Thoughts Moving Forward

1. Continue to be pro-active & work with other (Metro and Regional) Councils to progress regional planning frameworks
2. Engage with RDA
3. Engage the private sector (and others like Universities) in those regional planning frameworks
4. Collaborate within Council - understand and support the industries / clusters (established and emerging) that drive the regional economy and where LG plays a role
5. Invest in local skills, knowledge and understanding (Councillors and Officers)

Thank you

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