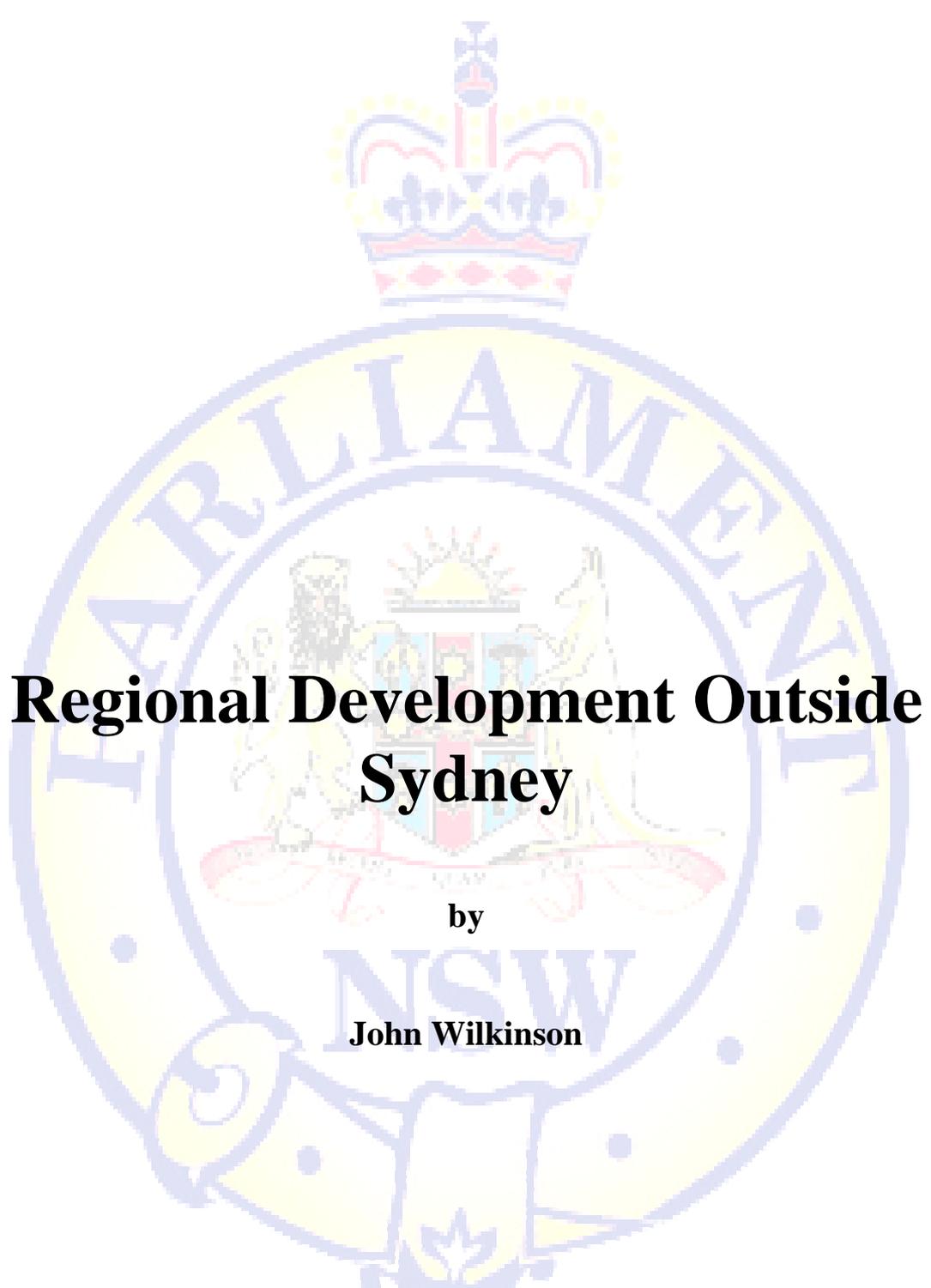# NSW PARLIAMENTARY LIBRARY RESEARCH SERVICE

Regional Development Outside Sydney

by

John Wilkinson

Briefing Paper No 13/03

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1.   INTRODUCTION

In 1995 the research service of the NSW parliamentary library produced a briefing note on regional development. The paper attempted to identify some of the main concerns in regional development and some of the main approaches to addressing them. Since then there has been considerable adjustment in some sections of the economy which, in turn, has affected the progress of certain sectors of regional activity in New South Wales. This paper sets out to highlight some of the principal developments, and to delineate some of the underlying issues, in regional development.

2.   INAUGURATION AND PROGRESSION OF REGIONAL DEVELOPMENT POLICY AT A TIME OF RELATIVE PROSPERITY

(a)   Introduction of Regional Development Policy in Australia

As the 1940s war in Europe and Asia drew to a close, John Curtin's federal (ALP) government began to prepare plans for Australia's national development. Although rationing still existed in 1945 (and was to last until 1950) the unemployment rate was 2.5% (because of all the employment available in war production) and both John Curtin, and his deputy Ben Chifley, were making plans, even before the war ended, for the continuation of high employment rates afterwards. L.F. Crisp has written that, "in three articles published in leading morning papers at the beginning of December, 1943. . .[Chifley] defined his primary objective as a high and stable level of employment linked with abundant and rising living standards."[1]

One of the means, included amongst the various instruments for national development, was development on a regional basis. According to Charles Harris and Kay Dixon, Curtin wrote to the premiers of each state highlighting "the tendency for local authorities to associate themselves with regional organisations to advance proposals for the development of their areas."[2] In December 1943, William McKell's state (ALP) government established a division of reconstruction and development in the premier's department, and created a regional boundaries committee to investigate the division of the state into regions.[3] It was also agreed, by both Curtin and McKell, that regional development committees should be formed to progress development in the various regions. F.A. Larcombe has written that,

> Committees were to consist of twelve members, of whom six were to be local government representatives, nominated by constituent municipal and shire councils,

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[1]   Barrie Dyster and David Meredith, *Australia in the International Economy in the Twentieth Century* (Cambridge University Press, Melbourne, 1990), p.173; L.F. Crisp, *Ben Chifley* (Longmans, Melbourne,1960), p.188.

[2]   Charles Harris and Kay Dixon, *Regional Planning in New South Wales and Victoria since 1944 with special reference to the Albury-Wodonga Growth Centre* (Centre for Research on Federal Financial Relations, Australian National University, Canberra, 1978), p.15.

[3]   Regional Boundaries Committee, *Report on the Determination of Regional Boundaries* (NSW Government Printer, Sydney, 1944).

three or four senior departmental officers stationed in the region and two or three nominated by other members representing the fields of commerce and industry. . . The first committee, Richmond-Tweed, was constituted on 8 December 1944, and the others except those in Sydney and the Western Division were progressively appointed during 1945. The three Western Division committees were constituted two years later.[4]

At the same time, the regional boundaries committee finalised the delineation of regional boundaries, with the regions being as follows:

First Regions Devised in New South Wales: late 1940s[5]

Region	Principal Towns
Central Darling	Broken Hill
Central Murray	Hay and Deniliquin
Clarence	Grafton and Coffs Harbour
Illawarra	Wollongong
Lachlan	Parkes, Forbes and Cowra
Macquarie	Dubbo
Mitchell	Bathurst and Orange
Monaro-South Coast	Bega and Cooma
Murray-Darling	Wentworth
Murrumbidgee	Wagga Wagga
Namoi	Tamworth and Moree
Newcastle	Newcastle
New England	Armidale, Glen Innes and Inverell
Oxley	Taree and Kempsey
Richmond-Tweed	Lismore
Southern Tablelands	Goulburn
Sydney	Sydney
Upper Darling	Bourke and Cobar
Upper Hunter	Singleton and Muswellbrook
Upper Murray	Albury

(b)   Equity Component in Regional Development

Implicit in the policy, or strategy, of regional development is a notion of equity. Trade and commerce tend to be concentrated in the great metropolitan areas where the wealth of the citizens produces accompanying amenities. In 1915, for instance, the Commonwealth Statistician conducted a census of wealth: the Australian population, at the time, numbering

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[4]   F.A. Larcombe, *A History of Local Government in New South Wales*, vol.III, *The Advancement of Local Government in New South Wales 1906 to the Present* (Sydney University Press, Sydney, 1978), p.281.

[5]   Harris and Dixon, op.cit., p.18.

around 5 million. 466 people informed the statistician that they owned assets worth over ₤100,000, and 832 people informed the statistician that they had annual incomes over ₤5,000. On the other hand the census determined that 447,105 people had an income of under £50 a year.[6] A great deal of that wealth was clearly concentrated in Melbourne and Sydney.

By the 1990s many features of this situation remain: particularly in regional areas. A survey of the *Taxation Statistics 1989-1990*, published by the Australian Taxation Office, showed that whereas the average taxable income in the Darling Point area of Sydney was around $56,000, the average taxable income in many regional areas was half that amount. This is indicated by the following tables:

Average Taxable Income in New South Wales: Wealthiest Areas 1989-1990[7]

Suburban Area	Average Taxable Income
Darling Point	$56,387
Double Bay	$46,239
Bellevue Hill	$44,895
Hunters Hill	$42,531
Spit Junction	$42,469
Woollahra	$42,467
Roseville	$40,372

Average Taxable Income in New South Wales: Regional Areas 1989-1990

Lismore (Northern Rivers)	$21,268
Grafton (Northern Rivers)	$21,152
Moree (New England – North West)	$24,593
Armidale (New England – North West)	$23,231
Tamworth (New England – North West)	$22,525
Inverell (New England – North West)	$20,921
Taree (Mid North Coast)	$20,922
Port Macquarie (Mid North Coast)	$20,905
Coffs Harbour (Mid North Coast)	$20,903
Kempsey (Mid North Coast)	$19,740
Lithgow (Central West)	$26,275

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[6]   G.H. Knibbs, *The Private Wealth of Australia and its Growth* (Commonwealth Bureau of Census and Statistics, 1918), pp.24-25,55-56. See also J.C.Caldwell, "Population" in Wray Vamplew (ed.), *Australians: Historical Statistics* (Fairfax, Sydney, 1987), p.36.

[7]   See Australian Taxation Statistics, *Taxation Statistics 1989-1990* (Australian Taxation Office, Canberra, 1992).

Bathurst (Central West)	$23,305
Orange (Central West)	$22,489
Parkes (Central West)	$22,085
Cowra (Central West)	$21,438
Forbes (Central West)	$21,189
Mudgee (Orana)	$24,300
Bourke (Orana)	$23,285
Dubbo (Orana)	$22,796
Broken Hill (Far West)	$26,680
Singleton (Hunter)	$29,650
Newcastle (Hunter)	$28,902
Cessnock (Hunter)	$25,194
Maitland (Hunter)	$25,085
Scone (Hunter)	$23,379
Gosford (Central Coast)	$24,256
Wollongong (Illawarra)	$25,480
Kiama (Illawarra)	$24,775
Port Kembla (Illawarra)	$23,984
Nowra (Illawarra)	$21,823
Yass (South East)	$25,514
Goulburn (South East)	$23,428
Moruya (South East)	$21,345
Bega (South East)	$20,541
Bateman's Bay (South East)	$20,090
Wagga Wagga (Riverina)	$23,004
Griffith (Riverina)	$22,893
Albury (Murray)	$23,422
Deniliquin (Murray)	$21,409

The situation continues to the present day. Professor Robert Stimson, and his colleagues at the Australian Housing and Urban Research Institute wrote in 1999 that, from their research,

> it is possible to identify those SLAs [Statistical Local Areas] with greatest opportunity. . .Mosman on the north side of Sydney Harbour is rated the community of greatest opportunity in Australia's metropolitan city regions, followed by the neighbouring North Sydney and then by Woollahra in the eastern suburbs. In fact, metropolitan Sydney dominates the list. . .[by contrast] New South Wales actually

has 15 of the 20 most vulnerable of the large regional. . .towns in Australia. . .[and accounts] for 13 of the 20 most vulnerable communities among Australia's small regional towns.[8]

Robert Stimson's list of vulnerable regional towns can be represented in a tabular fashion as follows:

Bottom15 NSW Communities of Vulnerability Amongst Australia's Large Regional Towns: Stimson Index 1999[9]

Town	Region
Byron Bay	Northern Rivers
MacLean	Northern Rivers
Ballina	Northern Rivers
Lismore	Northern Rivers
Inverell	New England-North West
Bellingen	Mid North Coast
Nambucca	Mid North Coast
Kempsey	Mid North Coast
Port Macquarie	Mid North Coast
Coffs Harbour	Mid North Coast
Taree	Mid North Coast
Forbes	Central West
Broken Hill	Far West
Forster	Hunter
Bateman's Bay-Moruya	South East

Bottom 13 NSW Communities of Vulnerability Amongst Australia's Small Regional Towns: Stimson Index 1999[10]

Town	Region
Nymboida	Northern Rivers
Kyogle	Northern Rivers
Ulmarra	Northern Rivers
Tenterfield	New England – North West
Glen Innes	New England – North West
Guyra	New England – North West
Condobolin	Central West
Wellington	Orana

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[8]   Robert Stimson, Scott Baum, Kevin O'Connor, Patrick Mullins and Rex Davis, *Community Opportunity and Vulnerability in Australia's Cities and Towns* (University of Queensland Press, Brisbane, 1999), pp.119-125.

[9]   Ibid., p.125.

[10]   Ibid., p.126.

Coonabarabran	Orana
Coonamble	Orana
Gilgandra	Orana
Walgett	Orana
Gloucester	Hunter

Service provision has often paralleled the division of wealth in the state: a pattern which emerged well before the 1915 census. In the area of sewerage, for instance, the city of Sydney established the Sydney City and Suburban Sewage and Health Board in 1875, and by 1890 the board had overseen the construction of 86 miles of sewerage pipe. In contrast, by 1905 there were only three country towns which had sewerage (Blayney, Casino and Forbes) and that number had only risen to eighteen by 1919.[11]

Regional development has consequently often been seen, by both sides of politics, as a means to redress this. In 1969 the Askin government's development corporation, which will be referred to later in this paper, announced that one of the aims of regional development was to bring "high order facilities, comparable with those of metropolitan Sydney, within the reach of the non-metropolitan area of the state." During the 1970s, Gough Whitlam also declared that "regional policy [was] to provide community services" particularly to areas in need.[12]

(c)   Withdrawal of Federal Government Support for Regional Development in the early 1950s

Curtin's successor (Chifley) continued his predecessor's regional development policy after the war had ended. In 1947, Chifley organised a Commonwealth-State conference on regional development but, by this time, the enthusiasm of some of the states was declining and Queensland decided not to send representatives. Two years later Chifley's government lost office and the following Menzies (Liberal Party–Country Party) government decided not to proceed with an integrated Commonwealth-States approach to regional planning and development.[13]

(d)   Continuation of Regional Development in New South Wales 1950s-1970s

New South Wales, nevertheless, continued (albeit modestly) with a policy of regional development. In 1958, Cahill's (ALP) state government combined the regional planning division of the premier's department with the department's secondary industries division to create a new division of industrial development. In 1965 the Liberal Party-Country Party coalition (led by Robin Askin) gained office and proceeded to establish a dedicated

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[11]   F.A. Larcombe, *A History of Local Government in New South Wales*, vol.II, *The Stabilisation of Local Government in New South Wales 1858-1906* (Sydney University Press, Sydney, 1976), pp.124,131-132. See also Larcombe, op.cit., vol.III, p.437.

[12]   Larcombe, op.cit., vol.III, pp.285,302.

[13]   Harris and Dixon, op.cit., pp.16-17.

department of decentralisation and development. The following year, the Askin government obtained passage of the *State Development and Country Industries Assistance Fund Act 1966* which, according to Harris and Dixon, provided for the following measures: "the establishment of a Country Industries Assistance Fund; the vesting of the minister with the necessary powers to encourage and assist the establishment and expansion of country industries; powers allowing local government councils to participate in stimulating industrial development and expansion within their areas; and the constitution and operations of the Development Corporation of New South Wales." Financial assistance to regional industries by the Askin government during the period from the mid-1960s to the early 1970s was, however, relatively modest. Expenditure by the Country Industries Assistance Fund in financial year 1965-1966 amounted to $1.7 million, reaching $5 million by financial year 1970-1971.[14]

In 1971 the Askin government decided to restructure the number of regions in the state, and to reconfigure the regional development committees. This was done by securing passage of what became the *Regional Organisation Act 1972*. Harris and Dixon have written that,

> These. . .regions consisted of eight country regions and the metropolitan region which comprised the central coast area from Newcastle to Wollongong. These regions were to be used for decentralisation policies and statutory planning purposes. . .It was proposed that in each region. . .a Regional Advisory Council be appointed, consisting of representatives from local government (one-third of the total number of members), citizens appointed by the minister (also one-third of members), and senior regional representatives of departments and authorities most concerned with regional development. In due course ten Regional Advisory Councils were formed, one in each of the eight country regions.[15]

Meanwhile the Askin government continued with its policy of inducing companies to relocate to the country regions. According to F.A. Larcombe, "This diffused financial assistance to decentralised industries amounted to $71,800,000 by October 1974. The government had assisted the expansion or establishment of 898 industries in 170 country centres. About one-fifth of the industries had been relocated wholly or partly from Sydney, other states and overseas."[16]

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[14] Ibid., p.26-30.

[15] Ibid., pp.40-41. The eight country regions were *North Coast* (Taree to Tweed Heads), *Northern* (Tamworth to Tenterfield to Moree), *North-Wes*tern (Dubbo to Bourke), *Central West* (Bathurst to Parkes to West Wyalong), *Far West* (Broken Hill); *South-Eastern* (Cooma to Bega to Goulburn), *Murrumbidgee* (Wagga Wagga to Griffith) and *Murray* (Albury to Wentworth). See *Official Year Book of New South Wales 1974*, pp.6-9,1007-1008.

[16] Larcombe, op.cit., vol.III, p.286.

(e)   Renewal of Federal Government Involvement in Regional Development: Whitlam Government

Meanwhile, at a federal level, there was a revival of interest in regional development with the advent of the Whitlam (ALP) government in 1972. Tom Uren became minister for urban and regional development, and took charge of the passage of the *Cities Commission Act 1972-1973* which established the Cities Commission. The commission published a report in mid-1973 listing 13 areas to be designated as growth centres. In the end, however, the program was reduced to the encouragement of 4 growth centres. Two of these were in rural regional New South Wales: *Bathurst-Orange* and *Albury-Wodonga*.

The principal platform for the creation of the growth centres was the development corporation: one for each of the centres. The Albury-Wodonga Development Corporation, for example, was a statutory authority consisting of development bodies from the federal, New South Wales and Victorian governments. The main instrument in the federal government's regional development strategy was land acquisition. According to Tom Uren, "The program provided the states with funds for land acquisition". He later recalled that "We put a lot of money into Albury-Wodonga: a total of $83.7 million between 1974 and 1976 – with the overwhelming part of it in land purchase". In the case of the Bathurst-Orange Growth Centre, according to Uren, "The federal government put in a total of $13.6 million between 1974 and 1976". The Bathurst-Orange Development Corporation "acquired 209 properties at a cost of almost $22 million."[17]

3.   ONSET OF DECLINE IN REGIONAL AUSTRALIA

(a)   Expansion and Decline in Australian Agriculture Prior to Britain's Entry into the EEC

Australia had been founded, by Britain, on the basis of primary product exports. Britain, by the end of the Napoleonic Wars (1815), had become the greatest financial, commercial and manufacturing nation in the world: with London as the centre, not only of Britain's empire, but of world finance and trade. In 1819 the British government sent the former chief justice of Trinidad (John Bigge) to Sydney to investigate the means by which the colony of New South Wales could pay for itself via trade. In 1823 he presented a report in which he remarked that "the growth of fine wool. . .creating a valuable export to Great Britain, appears to be the principal. . .source of productive industry within the colony". By the late 1800s, the pattern of trade that became established was that Britain took around 75% of Australia's exports (essentially primary products), and Britain supplied around 70% of Australia's imports (essentially manufactured goods). Even by 1939, Britain still took 54% of Australia's exports: 15% of all Britain's butter imports; 12-14% of Britain's pear and apple imports; and 10% of Britain's sugar imports (just to name a selection) came from Australia.[18]

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17   Tom Uren, *Straight Left* (Random House, Sydney, 1994), pp.263-266.

18   John Bigge, *State of Agriculture and Trade in the Colony of New South Wales*, report of the commissioner of inquiry, 1823, reprinted in Australiana Facsimile Editions, no.70 (library Board of South Australia, Adelaide, 1966), p.18; Nancy Windett, *Australia as Producer and*

After the combined financial impact on Britain, of its two major twentieth century wars with Germany (on which Britain expended massive sums of its wealth), predominance in international finance, commerce and manufacturing passed to the USA, and Britain was forced to relinquish its overseas empire and place its trading destiny in Europe: formally applying to join the recently formed EEC in 1961, and being finally admitted in 1973.[19]

Even before Britain joined the EEC, Australia began to experience a decline in the export earnings of its rural products. As washing machines became an increasingly popular means for cleaning clothes, the use of synthetics in textile production increased while the use of wool declined.[20] Although wool prices had hit an all-time high of £1/pound during the Korean War of the early 1950s (when the American military made massive bulk purchases of Australian wool for greatcoats and blankets), by the mid-1950s wool prices had sunk to 79 pence a pound, and by the mid 1960s they had sunk to 57 pence a pound. Whereas, in the early 1950s, the contribution of the rural sector to gross domestic product, had been 29%, by 1962-1963 its contribution had fallen to 13% and by 1969-1970 it had fallen to 8%.[21]

(b)   Decline in Agriculture after Britain's Entry to the EEC

Although agriculture had already been declining, before Britain joined the EEC, it declined even further after 1973. Australian butter exports to Britain, for example, sank from around 79,000 tonnes in 1972-1973, to just 7,000 tonnes in 1981-1982. Beef cattle numbers in New South Wales, which had reached 9 million in the mid-1970s, fell to around 5½ million by the early 1980s.[22] By the mid-1990s the number of farms in Australia had declined dramatically, as the following statistics indicate:

Trader 1920-1932 (Oxford University Press, London, 1933), pp.109,118; Charles Smith, *Britain's Food Supplies in Peace and War* (Routledge, London, 1940), pp.25,49; Brian Pinkstone, *Global Connections: A History of Exports and the Australian Economy* (Australian Government Publishing Service, Canberra, 1992), p.88;

[19]   J.D.B Miller, *Survey of Commonwealth Affairs: Problems of Expansion and Attrition 1953-1969* (Oxford University Press, London, 1974), pp.323-324,337.

[20]   Frederick Clairmonte and John Kavanagh, *The World in their Web: The Dynamics of Textile Multinationals* (Zed Books, London, 1983), p.27.

[21]   Fred Gruen et.al*., Long Term Projections of Agricultural Supply and Demand: Australia 1965-1980*, vol.2 (Department of Economics, Monash University, Melbourne, 1967), p.9-9; Andy Stoeckel and Geoff Miller, "Agriculture in the Economy" in D.B. Williams (ed.), *Agriculture in the Australian Economy*, 2nd. Edition (Sydney University Press, Sydney, 1982), p.168.

[22]   Bruce Davidson, "History of Farming" in National Farmers Federation (ed.), *Australian Agriculture*, fourth edition (Morescope Publishing, Melbourne, 1993), pp.43-44; Peter Schmidt and Neil Yates, *Beef Cattle Production*, second edition (Butterworths, Sydney, 1985), p.302.

Number of Farms in Australia 1960-1961 to 1995-1996[23]

1960-1961	201,000
1975-1976	180,400
1980-1981	175,760
1985-1986	171,400
1990-1991	122,054
1995-1996	120,062

Correspondingly the number of workers employed in agriculture contracted, as the following figures also illustrate:

Percentage of Workers Employed in Agriculture 1961-1991[24]

1961	11.4%
1981	6.5%
1991	5.8%

All this, according to Matthew Tonts, resulted in a situation that whereas "in the early 1950s agriculture contributed 25 per cent of Australia's Gross Domestic Product, and around 80 per cent of export earnings" by 1994 agriculture contributed "2.6 per cent of GDP and a little over 18 per cent of exports".[25]

(c)   Decline in Regional Manufacturing after the International Recession of The mid-1970s

A year after Britain joined the EEC, an international recession developed: triggered by the USA's support for Israel during the 1973 Arab-Israeli war, and by the decision of the Arab nations (in retaliation) to raise the price of oil (from about $6 a barrel to around $23 a barrel). In Australia unemployment rose from a low of around 2%, to a high of 5%.[26]

Manufacturing industry in the regions, in particular, began to lay off workers. The total number of workers in manufacturing in Newcastle declined from 43,122 to 38,670 (a drop of over 10%), and in Wollongong from 34,018 to 32,325 (a decline of about 8%). This is illustrated by comparative figures for unemployment in the wealthier parts of Sydney

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[23]   Matthew Tonts, *Rural Restructuring, Policy Change and Uneven Development in the Central Wheatbelt of Western Australia* (PhD Thesis, Curtin University of Technology, 1998), p.171.

[24]   Ibid., p.184.

[25]   Ibid., p.162.

[26]   Michael Niemira and Philip Klein, *Forecasting Financial and Economic Cycles* (John Wiley and Sons, New York, 1994, p.291; Frank Crowley, *Tough Times: Australia in the Seventies* (William Heinemann, Melbourne, 1985), p.143.

contrasted with unemployment in the regions:

Comparative Unemployment Rates in New South Wales: 1978[27]

Northern Sydney	2.2%
Newcastle	7.9%
Wollongong	8.4%
Gosford-Wyong	10.7%

4.   COURSE OF REGIONAL DEVELOPMENT AGAINST THE BACKGROUND OF REGIONAL DECLINE

(a)   Continuation of Regional Development in NSW during the Wran Government

Neville Wran, on assuming the premiership after Tom Lewis's Liberal Party-Country Party government lost office in 1976, not only initially preserved the Askin government's department of decentralisation and development but indeed, according to a former director of the department, "came to power with very ambitious ideas in the field of regional development". Although, as the same director remarked, "It soon became apparent that it would be impractical to aim for such a dramatic innovation in the short term", the Wran government did succeed in implementing some of its policy innovations in regional development.[28] Thus in 1977 the Wran government increased assistance to rural industries by obtaining passage of the *Country Industries (Payroll Tax Rebate) Act 1977* which granted payroll tax rebates for manufacturing or processing industries outside metropolitan areas.

Three years later the Wran government moved to restructure the regional development committees/councils. In 1980 Wran transformed the then department of decentralisation and development into the department of industrial development and decentralisation, under Don Day. This department became responsible for initiating, co-ordinating and implementing the Wran government's economic development and decentralisation policies in Sydney and in the country regions. In implementing the department's policy in rural New South Wales, the minister created Industry Development Boards which absorbed the work of the former Regional Advisory Councils.[29] In 1983, according to a report by the Bureau of Industry Economics, the Wran government introduced

> A number of changes to the state's decentralisation program. . .Interest rate

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[27]   Frank Stilwell, Economic Crisis, *Cities and Regions: An Analysis of Current Urban and Regional Problems in Australia* (Pergamon Press, Sydney, 1980), pp.102,106.

[28]   T.Cappie-Wood, "The Role of Policy in Regional Innovation and Adjustment" , paper presented at the *Regional Innovation and Economic Adjustment Conference*, University of Newcastle, 1978.

[29]   *New South Wales Year Book 1982*, p.309.

subsidies and a rental subsidy scheme were introduced to facilitate relocation. The loan guarantee scheme was amended to support loans for the acquisition, construction or extension of factory premises or the purchase of plant, machinery and equipment for the conduct of a country industry. Finally the payroll tax rebate scheme was modified to increase incentives for companies adding to employment.[30]

(b)   Withdrawal of Federal Government Support for Regional Development during the late 1970s, and after the Recession of 1980-1982

After the election of Malcolm Fraser's Liberal Party-Country Party government (at the end of 1975), there was once again a lessening of interest, at a federal level, in regional development. In the case of the Albury-Wodonga Growth Centre, for example, Uren has written that the Fraser government provided only a total of $41.4 million, over the whole period of his government (1976-1983): roughly $5.2 million a year.[31]

In the early 1980s another international recession occurred: following the overthrow of of the Shah of Iran in 1979 and the decision of the new revolutionary government to raise the price of oil to around $34 a barrel.[32] Lou Cannon, in his biography of Ronald Reagan, wrote that "By November 1982 more than 9 million Americans were officially unemployed. . .the job losses [came from] business failures – 17,000 of them in 1981 alone. . .By the end of 1982 the nation's steelmakers were operating at only 35% capacity."[33] In Australia the recession had corresponding effects. In July 1980, General Motors-Holden announced that it would close its car assembly plant at Pagewood in Sydney. BHP also began to experience difficulties. Jenny Stewart observed that "Unemployment in the steel industry spread rapidly in Newcastle and Port Kembla. Three thousand jobs were shed between June 1981 and May 1982, and a further 2,700 between May and September 1982." By 1983 unemployment, throughout Australia, had risen to 9% of the workforce.[34]

In the realm of regional development, lack of intervention characterised the approach of the new Hawke government (elected in 1983), which considered that a federal government should not play a part in regional development. According to Tom Uren,

When the ALP regained government in 1983. . .John Button, the minister for

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[30]   Bureau of Industry Economics, *The Regional Impact of Structural Change – An Assessment of Regional Policies in Australia* (Australian Government Publishing Service, Canberra, 1985), p.160.

[31]   Ibid., p.265.

[32]   Niemira and Klein, op.cit., p.292.

[33]   Lou Cannon, *President Reagan: The Role of a Lifetime* (Public Affairs, New York, 1991), p.196.

[34]   Crowley, op.cit., p.398; Jenny Stewart, *The Lie of the Level Playing Field: Industry Policy and Australia's Future* (Text Publishing Company, Melbourne, 1994), p.142: Peter Ewer, Ian Hampson, Chris Lloyd, John Rainford, Stephen Rix and Meg Smith, *Politics and the Accord* (Pluto Press, Sydney, 1991), p.24.

industry, technology and commerce. . .believed that decentralisation and regional development were not the responsibilities of the Commonwealth, but should be left up to the states.[35]

One departure from this position, however, occurred in 1986 as part of the Hawke government's Economic and Rural Policy statement: an innovation which had a small impact on at least two regional centres in New South Wales. This came, as Tom Murphy and Greg Walker have described, through the "lightly funded and essentially remedial regional economic policy called the Country Centres Project. The central west was the recipient of two of these projects, one at Lithgow. . .and one in the Parkes-Forbes-Cabonne area. . .Both involved considerable community consultation and the production of a feasibility study for a small-scale project."[36]

(c)   Retreat from Regional Development by the Greiner Government

In 1988, Nick Greiner's Liberal Party-National Party government gained office and also began to reduce the level of state government involvement in regional development. A more restrained approach was adopted, and regional development was transferred to a new department of business and consumer affairs. The principal incentive scheme, and primary focus for regional development in New South Wales, became the Regional Business Development Scheme (established in 1989) and administered by the department. This scheme could provide subsidies for relocation and establishment. The Greiner government's direction became one of moving away from open-ended assistance for regional development, to a case by case approach. The Greiner government all but eliminated entitlements under the Payroll Tax Rebate Scheme (which the RBDS, in many ways, replaced).

One change, the Greiner government did make, was to the advisory structures in regional development. In 1990 Greiner transformed the industry development boards (which had replaced the previous regional advisory committees/councils) into regional development boards (RDBs). RDBs were to consist of the following: representatives of firms in the region; representatives from local government; and representatives from the NSW department of business and consumer affairs. According to the department's annual report for 1990-1991:

> Boards have been created for the following regions and operate from. . .centres shown in brackets: *Northern Rivers* (Grafton), *Mid North Coast* (Port Macquarie), *New England* (Armidale), *Orana* (Dubbo), *Far Western* (Broken Hill), *Murray* (Albury), *Riverina (*Wagga Wagga), *Central Western* (Orange) and *South Eastern* (Goulburn). During the year Regional Development Boards managed the production of regional strategy plans. . .These strategy plans provide a basis to identify particular needs and opportunities for economic development at a regional level. .

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[35]   Uren, ibid.

[36]   Tom Murphy and Greg Walker, "A New Phase in Australian Regional Development?" in the *Australasian Journal of Regional Studies*, vol.1, no.2, 1995, p.122.

.Individual regional plans were completed by May 1991. . .[37]

(d)   Revival of Regional Development in NSW by the Fahey Government

John Fahey, who took over as premier of NSW in 1992, decided to backtrack on the Greiner government's restraint on regional development and, in 1993, he elevated regional development back to portfolio status: establishing a department of business and regional development. The department's activities were also expanded to included further initiatives, added to previously existing ones, so that they now included the following: the *Regional Business Development Scheme*; the *Regional Business Infrastructure Program* (which could provide a contribution towards costs incurred directly by firms in augmentation of local infrastructure such as sewerage, natural gas and roadworks); *Assistance towards Business Establishment or Expansion at a Regional Site*; *Resources for Regional Development* (such as assistance for regional development boards, industry associations etc.); the *Main Street Program* (through which the department could assist in promoting business in regional areas); and the *Business Expansion Program* (through which the department could provide technical advice to regional firms considering expansion).

Even before the Fahey government had re-elevated regional development to portfolio level, the Greiner government had already begun to renew its efforts in the area. As a result between 1989 (the second year of the Greiner government) and 1993 (the second year of the Fahey government), initiatives under the *Regional Business Development Scheme* had assisted over 300 firms, and provided around $3.5 million a year in assistance for relocation and expansion. Three examples of this included the *Tamworth Flying College* (a joint venture between British Aerospace and the then Ansett, towards which the NSW government provided $6.36 million); the operations of *Berlei Lithgow* (the expansion of which was assisted by payroll tax concessions); and the operations of *Riverina Wool Combing* (a subsidiary of Chargeurs of France, based at Wagga Wagga, the expansion of which was helped by payroll tax concessions and removal cost subsidies).[38]

(e)   Recession of the Early 1990s and the Renewal of Federal Involvement in Regional Development by the Keating Government

In 1987 a major sell-off of shares occurred, in the American stock market, and two years later the property boom, which had developed in Australia during the second half of the 1980s, came to an end. A recession developed in Australia during the early 1990s during which, by 1992, unemployment reached 11%. As one response to this, Paul Keating (who had taken over as prime minister, from Bob Hawke, in 1991) reintroduced increased spending for development in the regions. In his budget for 1992-1993, the then federal treasurer (John Dawkins) declared that,

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[37]   Department of Business and Consumer Affairs, *Annual Report 1990-91*, p.21.

[38]   NSW Parliamentary Standing Committee on State Development, *Achieving Sustainable Growth: Regional Business Development in New South Wales* (NSW Parliament, Sydney, 1994), pp.128-133.

A local capital works program will be introduced for a two-year period, providing local governments with grants for economic and social infrastructure projects. An amount of $251.7m has been allocated for this purpose in 1992-93, with a further $100m in 1993-94. Local government in regions and areas identified as having above average levels of unemployment during the last year will be able to receive funding for worthwhile projects.[39]

After his re-election in 1993, Keating expanded his government's focus on regional development: changing the federal department of industry and technology into the department of industry, technology and regional development, and placing Alan Griffiths in charge as minister. Griffiths's first step was to establish a regional development task force (chaired by the secretary of the Australian Council of Trade Unions – Bill Kelty). In 1994 Keating delivered his Working Nation statement on employment and economic growth, reiterating his view of the importance of the development of regions:

> The opportunities Australians have to work and prosper are, in large part, determined by the economic prosperity of their local area. While many regions are growing strongly, others need assistance to realise their full potential. . .The regions of Australia are partners in the nation's growth. . .[and are] crucial to meeting Australia's economic and social objectives. . .The government will support Australia's regions. . .and assist them with the problems many of them face.[40]

Responsibility for regional development, in the Keating government, was now transferred to the portfolio of the minister for housing (Brian Howe): someone with a particular interest in development on a regional basis. A statement of policy issued later in 1994, by what became the department of housing and regional development, declared that "The Commonwealth government has committed $150 million over four years for a regional development program to better harness regional economic potential. The assistance provided practical support for regions at different stages of economic. . .development."[41]

Once more, the Keating government introduced changes, at a federal level, into the realm of advisory structures in regional development. Whereas before, it had only been the states which had established regional development committees and/or councils, the federal government proceeded to inaugurate its own bodies: regional development organisations (RDOs). According to the department of housing and regional development, RDOs were not to be defined prescriptively, but were to be defined on an emerging basis. As the department for housing and regional development also explained, "to qualify for assistance, a regional development organisation would need to have. . .A prime focus on economic development which would include business growth, expansion of economic activity and a

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[39]   Commonwealth of Australia, *Budget Statements 1992-93* (Australian Government Publishing Service, Canberra, 1992), pp.3.131-3.132.

[40]   *Working Nation* (Australian Government Publishing Service, Canberra, 1994), pp.17-18.

[41]   *Guidelines for the Regional Development Program: Growth through our Regions* (Department of Housing and Regional Development, Canberra, 1994), p.iii.

global focus" and would need to have "A core group of business, union, local government, and education and training representatives".[42]

(f)   Divergent Paths of State and Federal Government in the mid-1990s

In 1995 the Fahey government lost office, in New South Wales, but the incoming Carr (ALP) government nevertheless re-affirmed its commitment to regional development. The former department of business and regional development was transformed into the department of state and regional development. In his first budget speech the new treasurer (Michael Egan) declared that,

> The department of state and regional development, in conjunction with regional industries and government, will be required. . .to undertake an audit of the current economic strengths and potential of all the regions. . .we will then be identifying the industries and firms, national and international, for which our regions will offer natural synergies.[43]

After the departure from office (at a federal level) of the Keating government (in 1996), the new Howard (Liberal Party-National Party) government announced that it would reduce the level of federal government involvement in regional development. In a press release, issued on 18 July 1996, the new federal minister for transport and regional development (John Sharp) declared that there would be,

> savings to his portfolio of about $150 million in the coming financial year. . .The changes will involve the loss of approximately 220 jobs within the department of transport and regional development. . .regional development and urban management overlap with state and local government. . .There is no clear rationale or constitutional basis for Commonwealth involvement. . .[44]

Sharp added that the regional development organisations, while being kept in existence, would have to rely less and less on federal funding. As he stated in another press release, issued a month later, "the government will not be funding new projects under the former regional development program [but] will honour all existing commitments. The government will allocate more than $80 million in 1996-97 to projects under the regional development program, and other urban and regional programs. . .In addition, we will allocate $10 million over the next two years to new projects".[45]

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[42]   ibid., p.8.

[43]   *Budget Speech 1995-96*, Budget Paper no.1 (NSW Treasury, Sydney, 1995), p.22.

[44]   Press Release, Minister for Transport and Regional Development, *Regional Development*, 18 July 1996.

[45]   Press Release, Minister for Transport and Regional Development, *Rebuilding Regional Australia: Budget Initiatives in Regional Development*, 21 August 1996.

(g)   The Impact of National Competition Policy

At the same time that the federal government was setting out to depart from regional development, the effects of the Keating government's national competition policy were starting to be felt. National competition policy was the name given to, what was effectively, a drive to commercialise what had been, essentially, large-scale areas of production that had so far been government-owned. These areas of activity, in particular, covered the production of electricity, gas, water and transport (railways). A study, by the federal government's productivity commission, noted that, between the beginning of the Keating government and the first two years of the Howard government, "employment in regional and urban electricity supply was reduced by around 23,000 employees. . .[and] between 1992 and 1997 six major gas distributors reduced employment by 3,400 jobs, some 42 per cent of their workforce."[46] In New South Wales, employment in the area of electricity, gas and water supply dropped from 13,500 in 1976 to 10,380 by 2001.[47]

(h)   Realignment of Federal and State Regional Development Policy against the Background of Rural and Regional Discontent in the late 1990s

Whereas, in its first year years in office, the Howard government had lessened the federal government's role in regional development – while NSW government involvement in the area remained constant – the emergence of substantial discontent in the regions, partly due to the impact of national competition policy, led the federal government back into initiatives in regional development. Tony Sorensen has written that,

> The government's turnaround appears to have been triggered by a series of electoral shocks. First the coalition lost power in Queensland in the June 1998 elections after 11 members of Pauline Hanson's One Nation Party were elected to parliament, mainly in rural and provincial seats. . .Shortly afterwards in the March 1999 NSW election, two independent candidates won seats formerly held by national party members.[48]

Even before One Nation's victory in the Queensland elections, the Carr government (in New South Wales) had begun to play closer attention to regional development. In 1997, Harry Woods was appointed as minister for separate portfolios of regional development, and rural affairs. In May 1998 (a month before One Nation's success in Queensland) Woods's office produced *Rebuilding Country New South Wales* (RCNSW): a directions statement on regional growth. Under RCNSW some of the Greiner government and Fahey

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[46]   Productivity Commission, *Impact of Competition Policy Reforms on Rural and Regional Australia* (Productivity Commission, Melbourne, 1999), p.xxxvi.

[47]   Stilwell, op.cit., p.50. See also Australian Bureau of Statistics, *Census of Population and Housing: Selected Education and Labour Force Characteristics for Statistical Local Areas, New South Wales and Jervis Bay 2001*, ABS Catalogue 2017.1 (Australian Bureau of Statistics, Canberra, 2003).

[48]   Tony Sorensen, "Tilting at Windmills: Regional Development Policy" in *Policy*, June-August 2000, p.8.

government programs, preserved after the Carr government took office, continued to be retained. The *Regional Business Development Scheme* was preserved (RCNSW stating that "A major evaluation of the scheme was undertaken in 1996 and confirmed its value in creating new regional investment"). The *Resources for Regional Development* and *Main Street* programs were likewise retained (the same 1996 evaluation, of the state's regional development programs, concluding that the *Main Street* program had "brought about significant attitudinal and behavioural change in communities – communities felt better about themselves and were better placed to attract new investment"). And the regional development boards were left in place (then 13 in number).[49]

Amongst the additional new programs that were announced were the *Regional Economic Transition Scheme* (providing around $5 million a year to individual businesses "willing to invest" in regions with "clear. . .economic distress") and the *Country Centres Growth Strategy* (a strategy. . .to examine impediments to growth. . .encompass[ing] establishment of a strategic regional taskforce comprising government, business, community and regional development board representatives).

Just over six months after the NSW state elections, the federal government hosted a regional Australia summit. The main outcome of the summit was the introduction of the regional solutions program. According to the official description by the federal department of transport and regional services (DOTARS), the program "provides some $83 million over four years to enable communities to put into action development projects that will lead to stronger local economies and improved access to services. . .grants range from $1,000 for small-scale projects (such as developing community plans) through $500,000 for large-scale projects (such as community projects)." According to DOTARS, the three broad areas of funding, under the regional solutions program, are as follows:

> *Planning*. Regional solutions provides between $1,000 and $5,000 over one year for community-based planning, enabling communities to explore good ideas through workshops or public meetings, printing and circulating newsletters, paying for professional facilitators and so on. The program also supports communities' larger-scale strategic planning to identify – for example – opportunities for economic diversification and community building. Grants of up to $200,000 in total over two years are available. *Undertaking Large or Small Scale Projects*. Regional Solutions provides grants of up to $50,000 in total over two years to support the implementation of small-scale development projects. Larger grants – up to $200,000 in total over three years – are available for more strategic community projects that aim to diversify the economic base of a community or region, expand capacity to respond to local issues and challenges, or implement development opportunities. The program also supports infrastructure development that will promote social or economic benefits – for example, establishing a community-owned tourism facility or exhibition centre. Grants for infrastructure range from $200,000 to $500,000 in total over three years. *Resourcing People to Work for Your Community*. Assistance is available though the regional solutions program to meet

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[49]   *Rebuilding Country New South Wales* (Ministry for Regional Affairs, Sydney, 1998), pp.20-21.

the cost of resourcing skilled people to improve the flow of information between the federal government and the community, or to coordinate the implementation of strategic plans or projects. Grants of up to $100,000 in total per application over two years are available.[50]

5.   CURRENT STATE OF THE REGIONS

(a)   National Unemployment Rate

The unemployment rate, in March 2003, was 6.2%.[51] While unemployment, in some regional towns is considerably below this, unemployment in other regional areas is substantially above. This is illustrated by the following sub-section indicating the rates of unemployment in the regions.

(b)   Unemployment Rates in the Regions

Unemployment Rates in the Regions: 2001 (ABS Census)[52]

Region	Unemployment Rate
Mid North Coast	14.2%
Northern Rivers	13.6%
Far West	12.1%
New England – North West	8.8%
Central Coast	8.8%
Hunter	8.7%
Illawarra	8.1%
Orana	8%
Central Western	7.2%
South Eastern	5.9%
Murray	5.1%
Riverina	4%

6.   CHANGING NATURE OF REGIONAL DEVELOPMENT STRATEGY

(a)   Initial Stages of Regional Development: Directed Development

It was a central presumption of regional development, in its early stages, that it would be administered in an executive fashion. Governments, federal or state, would devise policy that would be transmitted from government down to the regions. E.R. Woolmington wrote

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[50]   http://www.regionalsolutions.gov.au/facts_1.htm

[51]   Australian Bureau of Statistics, *Labour Force: Australia*, ABS Catalogue 6202.0 (Australian Bureau of Stastics, Canberra, 2003), p.6.

[52]   ABS, *Census of Population and Housing: Selected Education and Labour Force Characteristics for Statistical Local Areas (New South Wales and Jervis) 2001*, pp.94-97.

that, regarding the position of the regional development committees in NSW during the McKell, McGirr, Cahill and Heffron governments,

> The committees had no real statutory foundation and no effective administrative infrastructure, beyond a part-time secretary. . .and no official power other than to make recommendations. . .the committees operated as sounding boards for local development ambitions and clearing houses for local development information. Otherwise they were powerless, uninfluential and ignored for most purposes.[53]

When the committees were reconfigured in 1971 (under the Askin government) as regional advisory councils, one-third of the membership was appointed by the relevant minister and several other positions were filled by senior representatives of government departments connected with regional development.

(b)   The Transition to Regional Hub Strategy

Between the 1960s and the 1990s planners, at a state level, came to focus on the strategy of promoting regional hubs as a means of advancing development in the regions. As mentioned above, in the mid-1960s the Askin government, through obtaining passage of its *State Development and Country Industries Assistance Fund Act 1966*, had also facilitated the establishment of a 14-person development corporation. In 1969 the corporation produced a study, entitled a *Report on Selective Decentralisation*, in which (as mentioned earlier) it argued that promoting regional growth centres offered "the only prospect of bringing high order facilities, comparable with those of metropolitan Sydney, within reasonable reach of the non-metropolitan area of the state."[54] Although the Whitlam government, at a federal government, lent its assistance to the Bathurst-Orange and Albury-Wodonga growth centres, the advent of the following Fraser and Hawke federal governments, and their relative lack of enthusiasm for regional development, appears to have slowed the promotion of regional hubs. However, in the late 1980s, at a state level, the Greiner government re-emphasised the strategy. David Roman, from the department of planning, wrote in 1989 that,

> In formulating a regional development policy. . .It is important to develop a "blueprint" for regional policy. . .which can accommodate. . .[an acceptance] that the days are long gone of government handouts. . .to encourage decentralisation of jobs anywhere in the state. Regional development policy for the future. . .can be based on. . .[an] approach. . . [requiring] the designation of "hub" (key) non-metropolitan urban centres which have exhibited natural growth potential.[55]

Eventually the hubs that began to be emphasised in regional development, in the early

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[53]   E.R. Woolmington, "Government Policy and Decentralisation" in G.J.R. Linge and P.J. Rimmer (eds.), *Government Influence and the Location of Economic Activity* (Department of Human Geography, Australian National University, Canberra, 1971), pp.286-287.

[54]   Larcombe, op.cit., vol.III, p.285.

[55]   David Roman and Peter Murphy, "A Framework for Regional Development Policy for New South Wales" in *Australian Urban Studies*, vol.17, no.2, December 1989, pp.14-15.

1990s, became as follows (from north to south):

> Tweed Heads
> Coffs Harbour
> Tamworth
> Broken Hill
> Dubbo
> Newcastle
> Orange
> Bathurst
> Wollongong
> Goulburn
> Wagga Wagga
> Albury[56]

As Robert Stimson and his colleagues from the Australian Housing and Urban Research Institute have observed, these regional hubs have accumulated a number of "government funded service functions, including administration, health and education" and some of them have regional universities.[57]

(c)   Complicating Factors in the "Regional Hub" Strategy

While the regional hubs themselves have generally tended to prosper, the smaller towns that surround them have often shrunk: their own inhabitants often departing for the opportunities provided by the regional hubs. This is shown by a comparison of statistics for population growth in the regional hubs, contrasted with that in the smaller neighbouring townships.

Regional Hub Population Growth: 1990s[58]

Regional Hub	Population 1991	Population 1999	%age Increase (approx.)
Tweed Heads (Northern Rivers)	54,190	69,969	29%
Coffs Harbour (Mid North Coast)	50,880	58,608	16%
Tamworth (New England – North West)	35,540	35,796	0.7%
Broken Hill (Far West)	24,376	20,934	-15%
Dubbo (Orana)	33,860	37,396	10%

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56   Asa Wahlquist, "Dubbo Defying the Trend" in the *Sydney Morning Herald*, 11 February 1993, p.15.

57   Robert Stimson, Scott Baum and Pat Mullins, "Australia's Regional Cities and Towns: Modelling Community Opportunity and Vulnerability", paper presented to the ANZRSAI conference, *Regenerating Rural Communities*, Newcastle, Australia, 19-22 September 1999, pp.16-17.

58   Bernard Salt, *Population Growth Database 2001* (KPMG, Melbourne, 2001).

Newcastle (Hunter)	136,170	139,701	3%
Orange (Central Western)	33,670	35,913	6%
Bathurst (Central Western)	27,820	29,983	7%
Wollongong (Illawarra)	180,110	186,172	3%
Goulburn (South Eastern)	21,990	20,792	-5%
Wagga Wagga (Riverina)	54,220	56,172	3.5%
Albury (Murray)	40,560	42,369	4%

Small Town Decline (by Regions): 1990s[59]

(1)   New England-North West

	Population 1991	Population 1999	%age Decrease (approx.)
Barraba	2,650	2,249	-15%
Warialda	3,670	3,156	-14%
Guyra	4,930	4,275	-13%
Walcha	3,710	3,228	-13%
Bingara	2,240	1,993	-11%
Moree	16,750	15,110	-10%
Inverell	16,220	14,915	-8%
Gunnedah	13,540	12,617	-7%
Narrabri	14,950	13,910	-7%
Glen Innes	6,360	5,941	-6.5%
Uralla	6,180	5,774	-6.5%
Emmaville	3,120	2,918	-6.5%
Manilla	3,430	3,267	-5%
Tenterfield	6,840	6,609	-3.5%

(2)   *Far West*

	Population 1991	Population 1999	%age Decrease (approx.)
Wilcannia	2,860	2,390	-16.5%

(3)   *Orana*

	Population 1991	Population 1999	%age Decrease (approx.)
Bourke	4,280	3,772	-12%
Coolah	4,200	3,808	-9.5%
Warren	3,690	3,337	-9.5%
Coonamble	5,390	4,861	-8%

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59   Ibid.

Wellington	9,360	8,669	-7.5%
Coonabarabran	7,260	6,762	-7%
Gilgandra	5,030	4,735	-6%

(4)   *Central Western*

	Population 1991	Population 1999	%age Decrease (approx.)
Grenfell	4,260	3,689	-13.5%
West Wyalong	7,140	6,304	-12%
Condobolin	7,960	7,287	-8.5%
Forbes	10,670	10,136	-5%
Hillston	3,240	3,093	-5%

(5)   *Hunter*

	Population 1991	Population 1999	%age Decrease (approx.)
Murrurundi	2,420	2,150	-12%
Merriwa	2,470	2,249	-9%

(6)   *South Eastern*

	Population 1991	Population 1999	%age Decrease (approx.)
Bombala	3,160	2,839	-12%
Harden	4,140	3,765	-9%
Boorowa	2,610	2,476	-5%
Crookwell	4,560	4,325	-5%

(7)   *Riverina*

	Population 1991	Population 1999	%age Decrease (approx.)
Cootamundra	8,260	7,446	-9%
Temora	6,550	5,909	-8%
Lockhart	3,760	3,456	-8%
Conargo	1,570	1,445	-6%
Gundagai	3,950	3,723	-5.5%
Narrandera	7,260	6,844	-5.5%
Hay	3,870	3,694	-4.5%
Tumut	11,590	11,086	-4.5%

(8)   *Murray*

	Population 1991	Population 1999	%age Decrease (approx.)
Culcairn-Henty	4,530	4,106	-9.5%
Jerilderie	2,030	1,873	-7.5%
Urana	6,180	5,744	-7%
Wakool	5,140	4,778	-7%
Tumbarumba	3,820	3,664	-4%

(d)   Potential of Small Towns to Sustain the Regional Hubs

Despite the potential of the regional hubs to draw population away from the small towns that surround them, sometimes the regional hubs and the neighbouring small towns, can mutually support each other. The Riverina regional development board recently observed that, in the case of Junee (formerly a thriving railway town),

Junee, approx 25kms from Wagga Wagga, has embarked on a positive plan to develop its lifestyle attractiveness as a dormitory centre for Wagga Wagga. Many Junee residents commute to Wagga Wagga for work in a wide range of industries e.g. the Wool Combing Plant, Cargill Abattoir etc. These industries are readily accessible along an upgraded road that takes Junee traffic direct to the Bomen Industrial Park on the outskirts of Wagga Wagga. The same principles apply in Griffith, which boasts a number of support communities whose inhabitants commute to Griffith, to work in the many food and beverage processing and packaging facilities and other secondary industry enterprises.[60]

(e)   Current Synthesis of Regional Development Experiences

With the winding down of the policy of executive level regional development - and the perceived impact of the promotion of regional hubs, on the smaller neighbouring towns – the current focus of regional development is on enabling the regions to formulate their own perceptions of their needs, and on enabling them to transmit those perceptions back up to government. The basic elements of this have been summarised by Paul Collitts (manager of regional policy in the NSW department of state and regional development), in a paper presented in 2001:

- A recognition that the role of government is increasingly one of facilitation and partnership, not one of central direction
- A focus on regional competitive advantage
- A stronger role for communities in determining their economic futures
- An emphasis on sustainable development
- Local solutions to local problems
- A focus on the individual community or region as the appropriate level for policy action
- A preference to targeted rather than open-ended assistance
- A reliance on community and regional leadership to drive development
- A recognition that most new regional jobs are created by existing regional businesses[61]

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[60]   Riverina Regional Development Board, *Submission to the Regional Development Business Analysis* (Riverina Regional Development Board, Wagga Wagga, 2002).

[61]   Paul Collitts, "What's Wrong with Enterprise Zones?", paper presented at the *Conference of the Regional Science Association International*, Bendigo, October 2001, p.11.

7. CONTINUING POSSIBILITIES

(a) Areas of Regional Employment

Employment in the regions has been broken down, by the Australian Bureau of Statistics, into fifteen basic categories. If these sectors of employment were ranked, according to their general significance for the regions in an ascending-descending order, a tabular representation would be as follows:

Significant Areas of Employment Across the Regions: 2001 (General Ascending-Descending Order)[62]

	Re	He	Ma	Ed	Ag	Prop	Build	Acc	Wh	Gov	Tran	Fin	Min	Co	El
R	1	2	4	3	6	5	7	8	9	10	11	12	15	13	14
N	2	2	5	4	1	6	7	9	8	10	11	12	15	13	14
F	1	2	9	4	3	7	10	5	11	8	12	14	6	15	13
NW	2	3	5	4	1	6	8	9	7	10	11	13	12	14	15
CW	1	4	3	5	2	6	7	8	9	10	11	13	12	15	14
MNC	1	2	3	4	8	6	5	7	9	10	11	12	15	13	14
H	1	3	2	6	12	4	5	7	8	9	10	13	11	15	14
CC	1	2	3	6	13	4	5	8	7	11	9	10	15	12	14
Ill	1	3	2	5	12	4	6	7	10	8	9	11	14	13	15
SE	1	3	8	9	2	4	7	5	10	6	11	12	15	13	14
Murr	2	4	3	5	1	7	9	10	6	8	11	12	15	14	12
My	2	4	3	5	1	7	8	6	9	10	11	12	15	13	14

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[62] Top Line: Re= Retail; He=Health; Ma=Manufacturing; Ed=Education; Ag= Agriculture, Forestry and Fishing; Prop=Property and Business Services; Build=Building; Acc=Accommodation, Restaurants and Cafes; Wh=Wholesale Trade; Gov=Government Administration and Defence; Tran=Transport and Storage; Fin=Finance and Insurance; Min=Mining; Co=Communication Services; El=Electricity, Gas and Water.

Left Hand Side: R=Richmond Tweed; N=Northern; F=Far West; NW=North West; CW=Central West; MNC=Mid North Coast; H=Hunter; CC=Central Coast; Ill=Illawarra; SE=South East; Murr=Murrumbidgee; My=Murray.

The table is based on the statistics of employment provided in the Australian Bureau of Statistics, *Census of Population and Housing: Selected Education and Labour Force Characteristics for Statistical Local Areas* (New South Wales and Jervis Bay), ABS Catalogue 2017.1 (Australian Bureau of Statistics, Canberra, 2003). See also Appendix B of this paper.

(b)   Individual Regional Sectors of Employment Opportunity

An analysis of the above tables shows that areas of employment vary in the regions. Retailing is an area which appears to have the most people working in it, across all twelve regions outside Sydney, while other areas of employment have clearly declined.[63] However this is not individually true of all regions. This is illustrated by a table showing the individual ranking of areas of employment for each region:

Individual Significance of Areas of Employment Within the Regions: 2001[64]

	R	N	F	NW	CW	MNC	H	CC	Ill	SE	Murr	My
Re	1	2	1	2	1	1	1	1	1	1	2	2
He	2	3	2	3	4	2	3	2	3	3	4	4
Ma	4	5	9	5	3	3	2	3	2	8	3	3
Ed	3	4	4	4	5	4	6	6	5	9	5	5
Ag	6	1	3	1	2	8	12	13	12	2	1	1
Prop	5	6	7	6	6	6	4	4	4	4	7	7
Build	7	7	10	8	7	5	5	5	6	7	9	8
Acc	8	9	5	9	8	7	7	8	7	5	10	6
Wh	9	8	11	7	9	9	8	7	10	10	6	9
Gov	10	10	8	10	10	10	9	11	8	6	8	10
Tran	11	11	12	11	11	11	10	9	9	11	11	11
Fin	12	12	14	13	13	12	13	10	11	12	12	12
Min	15	15	6	12	12	15	11	15	14	15	15	15
Co	13	13	15	14	15	13	15	12	13	13	14	13
El	14	14	13	15	14	14	14	14	15	14	13	14

The above table shows that, while retail may be the predominant area of employment over all twelve regions, agriculture is the predominant individual area of employment in at least four separate regions: Northern, North West, Murrumbidgee and Murray. Building, while

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[63]   This trend, across the twelve regions outside Sydney, seems to reflect a trend across the entire nation. In 1999 the federal parliament's joint select committee on the retailing sector observed that, "Coles Myer. . .is Australia's largest private sector employer with 150,000 staff" and "Woolworths is Australia's. . .second largest private sector employer with 1,460 Australia-wide stores staffed by over 110,000 employees." See Joint Select Committee on the Retailing Sector*, Fair Market or Market Failure? – A Review of Australia's Retailing Sector* (Parliament of the Commonwealth of Australia, Canberra, 1999), p.13.

[64]   Top Line: R=Richmond-Tweed; N=Northern; F=Far West; NW=North West; CW=Central West; MNC=Mid North Coast; H-Hunter; CC=Central Coast; Ill=Illawarra; SE=South East; Murr=Murrumbidgee; My=Murray.

         Left Hand Side: Re=Retail; He=Health; Ma=Manufacturing; Ed=Education; Ag=Agriculture, Forestry and Fishing; Prop=Property and Business Services; Build=Building; Acc=Accommodation, Restaurants and Cafes; Wh=Wholesale; Gov=Government Administration and Defence; Tran=Transport and Storage; Fin=Finance and Insurance; Min=Mining; Co=Communication Services; El=Electricity, Gas and Water.

         This table is also based on ABS Catalogue 2017.1. See also Appendix C of this paper.

the fifth largest area of employment in three regions (Mid North Coast, Hunter and Central Coast), is only the ninth largest area of employment in the Murrumbidgee region. Consequently solutions have often to be devised on an individual basis to suit the characteristics of a particular region.

Academics researching regional development have highlighted this phenomenon in their work. Robert Stimson, and his colleagues at the Australian Housing and Urban Research Institute (based at the University of Queensland), in a paper presented to a conference on *Regenerating Regional Communities*, divided Australia's towns into clusters of vulnerability, and clusters of opportunity. They presented their outline of three perceived clusters of vulnerability as follows:

- *welfare/retirement migration vulnerability cluster* located in coastal New South Wales and Queensland, recording a high proportion of low income households with relatively high unemployment (generally 16.65 per cent). NSW towns that Stimson et.al. have included in this cluster are Ballina, Bellingen, Byron Bay, Coffs Harbour, Kempsey, Hastings (including Port Macquarie), Forster-Tuncurry, Lismore, MacLean and Nambucca (on the north coast) and Bateman's Bay-Moruya (on the south coast).

- *extractive vulnerability cluster*, consisting of regional towns in all states except Western Australia and the Northern Territory. These localities are mainly agricultural/pastoral-based towns that have become stagnant or in decline. The cluster recorded relatively poor growth in employment, and above average rates of households in housing stress. NSW towns included by Stimson, in this group, are Cowra, Forbes, Gunnedah, Moree, Mudgee, Narrabri, Parkes, Taree (in the north and west), Young and the Bega Valley (in the South East) and Tumut (in the Riverina).

- *manufacturing industry vulnerability cluster* located in New South Wales, South Australia, Western Australia, Tasmania, Victoria and Queensland. Many of these localities were developed during early periods of industrial growth and have since seen a reduction in manufacturing fortunes. The cluster records an above average increase in unemployment and above average rates of low income households. NSW towns included by Stimson in this group are Broken Hill, Casino, Grafton, Inverell and Port Stephens. Newcastle has also clearly been affected by a decline in manufacturing. In 1980, BHP Newcastle employed around 10,000 workers. However the plant closed in 1999. By that time there were only 1,500 people employed at the works.[65]

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[65]   Stimson et.al., "Australia's Regional Cities and Towns: Modelling Community Opportunity and Vulnerability", pp.18-21. See also Industries Assistance Commission, *Iron and Steel Industry* (Australian Government Publishing Service, Canberra, 1980), p.A33 and Brad Norrington, "Last One Out, Please Lock the Door Behind You" in the *Sydney Morning Herald*, 1 October 1999, p.1.

Their portrayal of four corresponding clusters of opportunity was presented accordingly:

- *mining based opportunity* is represented by a small cluster of five regional towns. They are situated in Western Australia (Kalgoorlie/Boulder), Queensland (Mt. Isa) and New South Wales (Singleton). The cluster is so labelled due to the significant concentration in extractive industry employment.[66]

- *tourism based opportunity cluster.* A group of five regional towns has been identified at locations in New South Wales, Victoria, Western Australia and Queensland. The alpine localities of Snowy River in New South Wales and Victoria are a part, as well as areas such as Broome in Western Australia and Port Douglas and Cairns in Queensland. The cluster has recorded the largest increase in employment.

- *service based opportunity cluster* comprises a large group of towns (often regional hubs), many of which have important regional and rural service functions. Specific localities include Armidale and Albury in New South Wales. Some of these have regional universities. Their economies are dependent to a considerable degree on government funded service functions including administration, health and education. The cluster however, in relation to the other opportunity clusters, has lower levels of advantage. The cluster also recorded the highest proportion of persons employed in the social services industry.

- *extractive/transformative based opportunity cluster* consists of a group of 16 towns distributed across New South Wales, Western Australia and Queensland. Specific localities in New South Wales include Griffith and Leeton. These regional towns are based mainly on serving agricultural/pastoral regions, but some are also involved in the processing of rural products. The cluster has significant proportions of high income households and relatively low levels of disadvantage. It also has an above average proportion of routine production workers.[67]

Discretion, however, has to applied to some of Stimson's categorisation of the above towns: particularly in the case of the north coast towns with higher unemployment rates. Byron Bay, for instance, may be categorised by Stimson as being in the cluster of welfare/retirement vulnerability. However, in the late 1990s, in the realm of domestic tourism, the northern rivers region was the 16th most visited area in Australia (amongst both capital cities and other regions). Over 1.75 million visitors passed through the area. Expenditure on goods and services by domestic tourists, in all the regions of NSW, amounted to over $7.7 billion in 1998. The potential of the tourist industry, for the northern

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[66]   On an overall level, however, employment in mining in regional NSW has dropped from 20,500 in 1976, to 13,037 in 2001. See Stilwell, op.cit., p.50 and the ABS *Census of Population and Housing: Selected Education and Labour Force Characteristics for Statistical Local Areas* (New South Wales and Jervis Bay) 2001, ABS Catalogue 2017.1.

[67]   Stimson et.al., "Regenerating Australia's Cities and Towns: Modelling Community Opportunity and Vulnerability" ibid.

rivers region, was highlighted by Professor Roy Powell and his colleague Linden Chalmers, in a study prepared for the northern rivers regional development board. Powell and Chalmers observed that, between 1981 and 1994, employment growth in the northern rivers region "was concentrated in the retail trade, restaurants/accommodation, business services and community services sectors. . .[while] The decline in jobs. . .was most evident in the dairy cattle/pigs, beef cattle, rail and road transport, sawmills and electricity sectors."[68]

(c)   Role of the Regional Development Boards

The role of the regional development boards, in this situation, is to target the individual employment possibilities relevant to the particular strengths of the region. A good example of the efforts of the RDBs, in this regard, is that of the Riverina regional development board. In a submission to the federal government's department of transport and regional services, the Riverina RDB wrote that, "Strategic targeting of specific industry opportunity for the regions is the key to attracting relevant industry. The Riverina, for instance, has a well developed [regional economic development] strategy that has been reviewed and expanded over the last ten years to provide a framework for achievable, sustainable development."[69] The areas of employment that the Riverina RBD has placed focused its efforts on are as follows:

> Agriculture
> Manufacturing/Processing
> Tourism
> Forestry
> Community Economic Development
> Employment/Education/Training
> Transport/Utilities
> Telecommunications
> International Business Development[70]

(d)   Contribution of Government

While the regional development board can target areas with potential to offer employment, with many of these areas being realms of government activity, government has a substantial part to play in regional development. As outlined above, health and education, for example,

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[68]   Graham Bonnett, Dick Braithwaite, Stephanie Hunt, Gary Prosser and Ingrid Rosemann, *The Significance of Regional Tourism: A Preliminary Report* (Centre for Regional Tourism Research, Southern Cross University, Lismore, 2000), pp.7,9; Roy Powell and Linden Chalmers, *The Northern Rivers Regional Economy and Development Potential*, paper prepared for the northern rivers regional development board (Centre for Agricultural and Resource Economics, University of New England, Armidale, 1997), p.57.

[69]   Riverina Regional Development Board, *Submission to the Regional Business Development Analysis.*

[70]   Ibid.

are large employers in the regions, and both sectors are largely government run.[71] Furthermore both the federal and state government continue to induce private undertakings to operate in the regions, through the federal regional headquarters program and the state department of regional development.

In the realm of government activity, major relocation of state government activity began with the Greiner government's transfer of the department of agriculture to Orange in 1990. The current state government, between 1995 and 2003, has relocated the following government operations to regional areas:

> Department of Local Government (to Nowra)
> Police Assistance Line (to Tuggerah and Lithgow)
> Police Firearms Registry (to Murwillumbah)
> Native Vegetation Unit (to Wellington)
> Registry of Co-operatives (to Bathurst)
> Workcover and Long Service Payments Corporation (to Gosford)

As well as these transfers of government department units to regional NSW, a number of state government departments have created individual jobs in the same areas. In July 2002 the department of community services, for instance, announced its intention to create 24 jobs in regional NSW: 7 in Northern Rivers; 4 in the Mid North Coast; 1 in Orana; 3 in the Hunter; 3 in the Illawarra; 4 in the South East; and 1 in the Riverina.[72]

In the realm of government facilitation of private investment in the regions, the federal department of industry, science and technology (through its Invest Australia program) has assisted the following companies to locate in the following regional areas:

> DigiCore Technology Pty Ltd (Wollongong – Illawarra)
> Enviro Weed Control Systems (Parkes – Central West)
> Gunnedah Leather Company Pty Ltd (Gunnedah – New England-North West)
> Interlite Automotive/Timberline Cabins (Armidale – New England/North West)
> Wireless Data Systems Ltd (Wollongong – Illawarra)[73]

At a state level, the department of state and regional development continues to assist the establishment of businesses in NSW through the *Regional Business Development Scheme* (which provides around $7.5 million a year); the *Regional Economic Transition Scheme*

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[71]   In a submission to the federal government's recent review of higher education, the Riverina regional development board wrote that, "for over 30 years the very integrity of the city of Wagga Wagga and surrounding region is substantially reliant on a viable, vibrant and growing university presence in that city." The Riverina RBD estimated that the university was responsible for 1,800 jobs in Wagga Wagga and surrounding areas. See Riverina Regional Development Board, *Submission to the Higher Education Review* (Riverina Regional Development Board, Wagga Wagga, 2002).

[72]   Press Release. Minister for Community Services. 10 July 2002.

[73]   Information supplied by Invest Australia.

(which provides around $5 million a year); and the *Industry Assistance Fund* (which provided $11 million in 1999-2000: just over half of which went towards regional projects). The government has also recently provided one-off contributions (of $10 million) to a Hunter Development Fund and an Illawarra Development Fund.[74] The NSW department of state and regional development (DSRD) has (between 1995 and 2003) assisted several hundred companies to expand their operations in the state. Some of the companies that DSRD has assisted are as follows:

> Bago Woodworks (Mid North Coast)
> Black Watch Boats (Northern Rivers)
> Byford Equipment (Murray)
> Charter Freightlines (Mid North Coast)
> Coast 2 Coast Sports Apparel (Mid North Coast)
> Downes Rice Hulls (Riverina)
> Earth and Ocean Textiles (Illawarra)
> Erskine Dental (Mid North Coast)
> Express Engineering (New England – North West)
> Fredo's Pies and Icecreams (Mid North Coast)
> G and C Manufacturing (New England – North West)
> Glen Gray Furniture Company (Riverina)
> New England Artificial Breeders (New England – North West)
> Probiotec (Illawarra)
> Ramage Engineering (New England – North West)
> TimeBase Publishing (Northern Rivers)
> Ultimate Off Road Campers (Bateman's Bay)[75]

8. CONCLUSION

Regional development is essentially a response to uneven development. Wealth is produced by production and trade, the diffusion of which takes place in the great commercial centres. The concentration of wealth in those centres enables their citizens to generate facilities and amenities on a greater scale than in localities with less commercial activity.

Forming the response has been the issue for debate. Delivery appears to have been, and still be, the central issue in regional development. Bringing development to the regions, as far back as the late 1960s, was considered to be achievable through growth centres. Developing regional hubs, however, only tended to draw population away from the surrounding small country towns. In times of prosperity, nevertheless, more resources were available to

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[74] NSW Parliament. Public Accounts Committee. *Industry Assistance*, report no.130 (NSW Parliament, Sydney, 2001), pp.4,73-74.

[75] Media Releases. Minister for Regional Development. 27 May 2001; 11 January 2002; 30 January 2002; 14 June 2002; 10 September 2002; 18 November 2002; 25 November 2002; 11 December 2002; 18 December 2002; 21 December 2002. See also Question Time. NSW Parliamentary Debates; Legislative Assembly. 7 May 2002.

government, at a federal level, to pursue such a strategy: as in the case of the Whitlam government's support for Bathurst-Orange and Albury-Wodonga. In times of difficulty, on the other hand, government has had less resources and, over the years, federal government and state government policy has come to coalesce: essentially on a strategy of pursuing regional development on a case-by-case basis.

Regional development, at the regional hub level, continues anyway through an inherent government presence in the areas of health and education. A case-by-case approach, hopefully, can provide more opportunities to assist the small country towns.

APPENDICES

A. Unemployment Rates in the Towns of the Regions of NSW: (ABS Census 2001)[76]

Town	Region	Unemployment Rate
Ulmarra	Northern Rivers	19.7%
Byron	Northern Rivers	14.4%
Nymboida	Northern Rivers	14.3%
MacLean	Northern Rivers	13.6%
Kyogle	Northern Rivers	13.3 (average)
Tweed	Northern Rivers	10.5%
Copmanhurst	Northern Rivers	13%
Lismore	Northern Rivers	12.9%
Grafton	Northern Rivers	12.1%
Casino	Northern Rivers	11.9%
Ballina	Northern Rivers	11.7% (average)
Manilla	New England – North West	14.2%
Nundle	New England – North West	10.8%
Barraba	New England – North West	10.4%
Armidale	New England – North West	10.1%
Inverell	New England – North West	9.5% (average)
Glen Innes	New England – North West	9.4%
Moree	New England – North West	9.3%
Gunnedah	New England – North West	9.3%
Tamworth	New England – North West	9.1%
Tenterfield	New England – North West	8.7%
Guyra	New England – North West	8.7%
Bingara	New England – North West	7.5%
Narrabri	New England –North West	8.1%
Uralla	New England – North West	7.9%
Emmaville	New England – North West	7.9%
Quirindi	New England – North West	7%
Parry	New England – North West	6.7%
Warialda	New England – North West	6.6%
Walcha	New England - North West	5.7%

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[76]   Australian Bureau of Statistics, *Census of Population and Housing: Selected Education and Labour Force Characteristics for Statistical Local Areas (New South Wales and Jervis Bay)*, ABS Catalogue 2017.1 (Australian Bureau of Statistics, Canberra, 2003).

Broken Hill	Far Western	12.8%
Wilcannia	Far Western	11.5%
Walgett	Orana	12.9%
Brewarrina	Orana	10.8%
Wellington	Orana	9.8%
Bogan	Orana	9.3%
Coonabarabran	Orana	8.9%
Coonamble	Orana	8.7%
Narromine	Orana	8.7%
Mudgee	Orana	7.9%
Warren	Orana	7.2%
Coolah	Orana	7%
Cobar	Orana	6.5%
Bourke	Orana	6.4%
Dubbo	Orana	5.8% (average)
Gilgandra	Orana	5.6%
Orange	Orana	5.7% (average)
Rylstone	Central Western	9.9%
Greater Lithgow	Central Western	9.7%%
Bathurst	Central Western	8.9%
Parkes	Central Western	8.5%
Condobolin	Central Western	7.4%
Orange	Central Western	7.3%
Blayney	Central Western	7.1%
Cowra	Central Western	7%
Oberon	Central Western	6.8%
Forbes	Central Western	6.4%
Grenfell	Central Western	5.7%
Molong	Central Western	5.4%
West Wyalong	Central Western	4.7%
Nambucca	Mid North Coast	18.3%
Kempsey	Mid North Coast	16.5%
Bellingen	Mid North Coast	14.6%
Coffs Harbour	Mid North Coast	13% (average)
Taree	Mid North Coast	12.2%
Port Macquarie	Mid North Coast	10.6 (average)
Forster	Hunter	11.7% (average)
Cessnock	Hunter	11.5%
Newcastle	Hunter	11%
Port Stephens	Hunter	9.8%

Lake Macquarie	Hunter	9.5%
Maitland	Hunter	9.4%
Dungog	Hunter	8.2%
Muswellbrook	Hunter	7.9%
Gloucester	Hunter	7.5%
Murrurundi	Hunter	7.5%
Merriwa	Hunter	7.5%
Scone	Hunter	6.6%
Singleton	Hunter	5.6%
Wyong	Central Coast	10%
Gosford	Central Coast	7.4%
Nowra and Districts	Illawarra	10.3% (average)
Shellharbour	Illawarra	9.4%
Wollongong	Illawarra	9.1%
Jervis Bay	Illawarra	9%
Kiama	Illawarra	6%
Wingecarribee	Illawarra	5%
Bateman's Bay – Moruya	South Eastern	13%
Bega Valley	South Eastern	9.3%
Goulburn	South Eastern	7.3%
Young	South Eastern	7.2%
Tallaganda	South Eastern	6.8%
Cooma	South Eastern	6.5%
Queanbeyan	South Eastern	5.7%
Bombala	South Eastern	5.4%
Harden	South Eastern	5.1%
Mulwaree	South Eastern	4.7%
Yass	South Eastern	4.3%
Booroowa	South Eastern	4.1%
Gunning	South Eastern	3.9%
Crookwell	South Eastern	3.7%
Yarrowlumla	South Eastern	3.5%
Temora	Riverina	8.5%
Junee	Riverina	7.8%
Cootamundra	Riverina	7%
Tumut	Riverina	6.8%
Deniliquin	Riverina	6.5%
Lockhart	Riverina	6.2%
Coolamon	Riverina	6%
Wagga Wagga	Riverina	5.7% (average)
Narrandera	Riverina	5.3%

Griffith	Riverina	5.2%
Leeton	Riverina	5.2%
Gundagai	Riverina	5.1%
Hay	Riverina	4.6%
Urana	Riverina	4.3%
Coleambally	Riverina	3.9%
Jerilderie	Riverina	3.5%
Carrathool	Riverina	3.1%
Conargo	Riverina	2%
Windouran	Riverina	1.4%
Albury	Murray	8.1%
Culcairn-Henty	Murray	6.3%%
Corowa	Murray	5.3%
Wentworth	Murray	5.3%
Murray	Murray	5.2%
Hume	Murray	4.9%
Tumbarumba	Murray	4.8%
Berrigan	Murray	4.3%
Holbrook	Murray	4.1%
Wakool	Murray	4.1%
Balranald	Murray	3.8%

B.   Areas of Employment in the Regions: By ABS Categories (2001)[77]

1.   Retail

Region	Number of People Employed
Hunter	36,646
Illawarra	23,729
Central Coast	18,991
Mid North Coast	17,114
Northern	13,558
Richmond-Tweed	13,094
South East	12,780
Murrumbidgee	10,867
Central West	10,069
North West	9,107
Murray	8,173
Far West	1,380

2.   Manufacturing

Region	Number of People Employed
Hunter	25,656
Illawarra	20,314
Central Coast	12,277
Central West	8,012
Mid North Coast	7,586
Murrumbidgee	6,813
Richmond-Tweed	6,301
Murray	6,155
South East	6,013
Northern	4,774
North West	3,231
Far West	317

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[77]   Ibid.

3.   Health and Community Services

Region	Number of People Employed
Hunter	24,565
Illawarra	15,365
Central Coast	12,391
Mid North Coast	10,900
Richmond-Tweed	8,924
South East	7,850
Central West	6,932
Northern	6,928
Murrumbidgee	5,280
North West	4,470
Murray	4,287
Far West	1,092

4.   Property and Business Services

Region	Number of People Employed
Hunter	19,190
Illawarra	13,730
Central Coast	11,280
South East	7,433
Mid North Coast	6,736
Richmond-Tweed	5,994
Northern	4,580
Central West	4,406
Murrumbidgee	3,748
Murray	2,802
North West	2,729
Far West	503

5. Education

Region	Number of People Employed
Hunter	16,082
Illawarra	12,584
Mid North Coast	7,274
Central Coast	6,865
Richmond-Tweed	6,362
Northern	6,212
Central West	5,554
South East	5,209
Murrumbidgee	4,926
North West	3,512
Murray	3,025
Far West	621

6. Agriculture, Forestry and Fishing

Region	Number of People Employed
Northern	13,558
Murrumbidgee	10,867
Central West	9,885
North West	9,107
Murray	8,173
South East	8,057
Hunter	6,641
Mid North Coast	6,043
Richmond-Tweed	5,552
Illawarra	2,317
Central Coast	1,262
Far West	972

7.   Building

Region	Number of People Employed
Hunter	16,494
Illawarra	12,196
Central Coast	10,804
Mid North Coast	7,010
South East	6,244
Richmond-Tweed	5,411
Central Coast	4,141
Northern	3,714
Murrumbidgee	3,555
Murray	2,654
North West	2,521
Far West	417

8.   Accommodation, Restaurants and Cafes

Region	Number of People Employed
Hunter	12,146
Illawarra	8,246
South East	7,147
Mid North Coast	6,605
Central Coast	5,588
Richmond-Tweed	5,380
Northern	3,529
Central West	3,519
Murrumbidgee	2,970
Murray	2,935
North West	2,490
Far West	527

9.   Wholesale Trade

Region	Number of People Employed
Hunter	10,338
Illawarra	5,670
Central Coast	5,437
Mid North Coast	4,077
Murrumbidgee	3,783
South East	3,598
Northern	3,574
Richmond-Tweed	3,526
Central West	2,969
North West	2,647
Murray	2,336
Far West	274

10.   Government Administration and Defence

Region	Number of People Employed
Hunter	9,852
Illawarra	6,638
South East	6,306
Central Coast	3,797
Mid North Coast	3,779
Murrumbidgee	3,615
Northern	2,892
Central West	2,786
Richmond-Tweed	2,683
North West	2,164
Murray	1,824
Far West	361

11.   Transport and Storage

Region	Number of People Employed
Hunter	8,613
Illawarra	6,100
Central Coast	4,339
Mid North Coast	3,179
South East	3,085
Murrumbidgee	2,772
Central West	2,732
Northern	2,713
Richmond-Tweed	2,405
Murray	1,772
North West	1,651
Far West	264

12.   Finance and Insurance

Region	Number of People Employed
Hunter	5,561
Illawarra	4,439
Central Coast	4,100
Mid North Coast	2,025
South East	1,608
Richmond-Tweed	1,535
Northern	1,348
Central West	1,220
Murrumbidgee	1,129
Murray	802
North West	791
Far West	136

13.   Mining

Region	Number of People Employed
Hunter	6,811
Central West	1,846
Illawarra	1,532
North West	1,048
Far West	518
Central Coast	362
Northern	293
South East	254
Mid North Coast	131
Richmond-Tweed	108
Murrumbidgee	74
Murray	60

14.   Communication Services

Region	Number of People Employed
Hunter	2,617
Central Coast	2,223
Illawarra	2,175
Mid North Coast	1,327
South East	1,207
Richmond-Tweed	995
Central West	837
Northern	835
Murrumbidgee	632
North West	532
Murray	465
Far West	101

15.   Electricity, Gas and Water

Region	Number of People Employed
Hunter	2,914
Illawarra	1,155
Central Coast	1,018
Central West	988
South East	928
Mid North Coast	925
Murrumbidgee	741
Murray	418
Northern	409
North West	371
Richmond-Tweed	349
Far West	164

C.   Areas of Employment by Individual Regional Significance: 2001[78]

1.   Richmond-Tweed (excluding Grafton and districts)

Area of Employment	Number of People Employed
Retail	13,094
Health and Community Services	8,924
Education	6,362
Manufacturing	6,301
Property and Business Services	5,994
Agriculture, Forestry and Fishing	5,552
Building	5,411
Accommodation, Restaurants and Cafes	5,380
Wholesale Trade	3,256
Government, Administration and Defence	2,683
Transport and Storage	2,405
Finance and Insurance	1,535
Communication Services	995
Electricity, Gas and Water	349
Mining	108
Other	4,349

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[78]   Ibid.

2. Northern (Tamworth and Districts, Armidale and Districts, Moree and Narrabri)

Area of Employment	Number of People Employed
Agriculture, Forestry and Fishing	13,588
Retail	10,312
Health and Community Services	6,928
Education	6,212
Manufacturing	4,774
Property and Business Services	4,580
Building	3,714
Wholesale Trade	3,574
Accommodation, Restaurants and Cafes	3,529
Government Administration and Defence	2,892
Transport and Storage	2,713
Finance and Insurance	1,348
Communication Services	835
Electricity, Gas and Water	409
Mining	293
Other	3,206

3. Far West (Broken Hill and Districts)

Area of Employment	Number of People Employed
Retail	1,380
Health and Community Services	1,092
Agriculture, Forestry and Fishing	972
Education	621
Accommodation, Restaurants and Cafes	527
Mining	518
Property and Business Services	503
Government Administration and Defence	361
Manufacturing	317
Building	417
Wholesale Trade	274
Transport and Storage	264
Electricity, Gas and Water	164
Finance and Insurance	136
Communication Services	101
Other	546

4.   North Western (Dubbo, Coonabarabran, Mudgee, Cobar and Districts)

Area of Employment	Number of People Employed
Agriculture, Forestry and Fishing	9,107
Retail	6,745
Health and Community Services	4,470
Education	3,512
Manufacturing	3,231
Property and Business Services	2,729
Wholesale Trade	2,647
Building	2,521
Accommodation, Restaurants and Cafes	2,490
Government Administration and Defence	2,164
Transport and Storage	1,651
Mining	1,048
Finance and Insurance	791
Communication Services	532
Electricity, Gas and Water	371
Other	2,177

5.   Central West (Bathurst, Orange, Parkes, Forbes and Districts)

Area of Employment	Number of People Employed
Retail Trade	10,069
Agriculture, Forestry and Fishing	9,885
Manufacturing	8,012
Health and Community Services	6,932
Education	5,554
Property and Business Services	4,406
Building	4,141
Accommodation, Restaurants and Cafes	3,519
Wholesale Trade	2,969
Government Administration and Defence	2,786
Transport and Storage	2,732
Mining	1,846
Finance and Insurance	1,220
Electricity, Gas and Water	988
Communication Services	837
Other	3,419

6.   Mid North Coast (including Grafton and districts)

Area of Employment	Number of People Employed
Retail	17,114
Health and Community Services	10,900
Manufacturing	7,586
Education	7,274
Building	7,010
Property and Business Services	6,736
Accommodation, Restaurants and Cafes	6,605
Agriculture, Forestry and Fishing	6,043
Wholesale Trade	4,077
Government Administration and Defence	3,779
Transport and Storage	3,179
Finance and Insurance	2,025
Communication Services	1,327
Electricity, Gas and Water	925
Mining	131
Other	5,309

7.   Hunter

Area of Employment	Number of People Employed
Retail	36,646
Manufacturing	25,656
Health and Community Services	24,565
Property and Business Services	19,190
Building	16,494
Education	16,082
Accommodation, Restaurants and Cafes	12,146
Wholesale Trade	10,338
Government Administration and Defence	9,852
Transport and Storage	8,613
Mining	6,811
Agriculture, Forestry and Fishing	6,641
Finance and Insurance	5,561
Electricity, Gas and Water	2,914
Communication Services	2617
Other	11,760

8.   Central Coast (Gosford – Wyong)

Area of Employment	Number of People Employed
Retail	18,991
Health and Community Services	12,391
Manufacturing	12,277
Property and Business Services	11,280
Building	10,804
Education	6,865
Wholesale Trade	5,437
Accommodation, Restaurants and Cafes	5,588
Transport and Storage	4,339
Finance and Insurance	4,100
Government Administration and Defence	3,797
Communication Services	2,223
Agriculture, Forestry and Fishing	1,262
Electricity, Gas and Water	1,018
Mining	362
Other	7,250

9.   Illawarra

Area of Employment	Number of People Employed
Retail	23,729
Manufacturing	20,314
Health and Community Services	15,365
Property and Business Services	13,730
Education	12,584
Building	12,196
Accommodation, Restaurants and Cafes	8,246
Government Administration and Defence	6,638
Transport and Storage	6,100
Wholesale Trade	5,670
Finance and Insurance	4,439
Agriculture, Forestry and Fishing	2,317
Communication Services	2,175
Mining	1,523
Electricity, Gas and Water	1,155
Other	8,934

10. South Eastern

Area of Employment	Number of People Employed
Retail	12,780
Agriculture, Forestry and Fishing	8,057
Health and Community Services	7,850
Property and Business Services	7,433
Accommodation, Restaurants and Cafes	7,147
Government Administration and Defence	6,306
Building	6,244
Manufacturing	6,013
Education	5,209
Wholesale Trade	3,598
Transport and Storage	3,085
Finance and Insurance	1,608
Communication Services	1,207
Electricity, Gas and Water	928
Mining	254
Other	5,581

11. Murrumbidgee (Wagga Wagga, Junee, Cootamundra, Griffith and districts – excluding Deniliquin)

Area of Employment	Number of People Employed
Agriculture, Forestry and Fishing	10,867
Retail	9,695
Manufacturing	6,813
Health and Community Services	5,280
Education	4,926
Wholesale Trade	3,783
Property and Business Services	3,748
Government Administration and Defence	3,615
Building	3,555
Accommodation, Restaurants and Cafes	2,970
Transport and Storage	2,772
Finance and Insurance	1,129
Electricity, Gas and Water	741
Communication Services	632
Mining	74
Other	2980

12.   Murray

Area of Employment	Number of People Employed
Agriculture, Forestry and Fishing	8,173
Retail	6,727
Manufacturing	6,155
Health and Community Services	4,287
Education	3,025
Accommodation, Restaurants and Cafes	2,935
Property and Business Services	2,802
Building	2,654
Wholesale Trade	2,336
Government Administration and Defence	1,824
Transport and Storage	1,772
Finance and Insurance	802
Communication Services	465
Electricity, Gas and Water	418
Mining	60
Other	2,017