

Parliament of Australia
House of Representatives
Regional Development and
Decentralisation Committee

Inquiry into Regional Development and Decentralisation

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evocities
REGIONAL CITY LIVING

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1. Terms of Reference

The inquiry's Terms of Reference are included in the Committee's Resolution of Appointment. They are:

1. This House establish a select committee, to be known as the Select Committee on Regional Development and Decentralisation, to inquire and report on the following matters:
 - a. best practice approaches to regional development, considering Australian and international examples, that support:
 - i. growing and sustaining the rural and regional population base;
 - ii. the benefits of economic growth and opportunity being shared right across Australia;
 - iii. developing the capabilities of regional Australians;
 - iv. growing and diversifying of the regional economic and employment base;
 - v. an improved quality of life for regional Australians;
 - vi. vibrant, more cohesive and engaged regional communities;
 - vii. leveraging long-term private investment; and
 - viii. a place-based approach that considers local circumstances, competitive advantages and involves collective governance;
 - b. decentralisation of Commonwealth entities or functions, as a mechanism to increase growth and prosperity in regional areas, considering Australian and international examples, including:
 - i. examining the potential for decentralisation to improve governance and service delivery for all Australians, considering the administrative arrangements required for good government;
 - ii. identifying the characteristics of entities that would be suited to decentralisation without impacting on the ability to perform their functions;
 - iii. identifying the characteristics of locations suitable to support decentralised entities or functions, including consideration of infrastructure and communication connectivity requirements;
 - iv. considering different models of decentralisation, including:
 - relocation of all or part of a Commonwealth entity to a regional area;
 - decentralisation of specific positions, with individual employees telecommuting, considering any limitations to this in current Australian Public Service employment conditions and rules; and
 - co-location of decentralised Commonwealth entities or employees in existing regionally based Commonwealth or State Government offices; and
 - v. examining the family, social and community impacts of decentralising;
 - c. actions of the Commonwealth that would encourage greater corporate decentralisation and what can be learned from corporate decentralisation approaches, including:
 - i. considering the role of the private sector in sustainably driving employment and growth opportunities in regional areas in both existing and new industries;

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- ii. comparing the access to early stage equity and or debt finance of metropolitan and regional businesses for both start up and established businesses;
 - iii. examining access to capital for regional business, including agribusiness, manufacturing and technology;
 - iv. considering the adequacy of regional businesses access to early stage accelerators and incubators, including access to business mentors, business networks and capital (debt or equity);
 - v. considering the adequacy to support the private sector to attract and retain skilled labour to regional areas; and
 - vi. examining the extent to which employment and growth can be supported by growing existing and new industries in regional areas, leveraging strong transport and communications connectivity; and
- d. any related matters.

2. Introduction

The Evocities of Albury, Armidale, Bathurst, Dubbo, Orange, Tamworth and Wagga Wagga are pleased to provide an overview of their resident attraction initiative in response to the inquiry into regional development and decentralisation. Together with an outline of the Evocities project and how the program actively contributes to the growth and development of New South Wales' (NSW) largest regional capitals, this report will detail how a collaborative approach to growing the population base of regional NSW cities has proved beneficial for not just individuals and business, but also for the state and national economy.

3. Background

Evocities' marketing campaign and program of activities offers a proven formula to assist the NSW Government in managing Sydney's population growth and the increased pressure this places on public infrastructure, while also driving sustainable growth and development in regional NSW.

Evocities is one of the most successful regional marketing campaigns undertaken in Australia, with over 3,100 families having relocated to date. It has attracted significant market penetration and delivered fantastic key outcomes for all the cities involved. Indirectly, the Evocities project has raised the credibility of NSW inland regional cities with a range of different stakeholders and provides the cities with a collaborative model to achieve greater return on marketing investment.

Since the campaign launch, over 6,200 relocation enquiries have been generated via the Evocities website, the central online portal for the campaign. The Evocities website (www.evocities.com.au) is supported by an Evocities branded employment website (www.evojobs.com.au).

Over the past seven years the Evojobs website has advertised over 35,000 local jobs, attracting over 2 million visits to the site. The Evojobs website is also utilised by local employers from the seven cities to attract highly qualified candidates to their organisations and is equally useful in supporting population retention, with locals seeking employment or career changes accessing the site.

4. Growing and Sustaining the Rural and Regional Populations Base

The core purpose of the Evocities campaign is to educate metropolitan residents about what regional NSW has to offer and to combat long held misconceptions about regional city living.

Evocities recognises that people are more likely to make the move if they understand that the services offered within regional capitals are similar to those offered in a capital city. As indicated by research conducted by Evocities¹, relocators look for a critical mass of services and community vibrancy linked to population and progress. In turn, investing firms will look for the presence of quality, multi-skilled people and education systems as part of their investment decisions.

The Evocities understand that resident attraction is important, but equally important is the retention of the new and existing residents. In order to do this each city must be able to successfully provide the necessary employment, education, health and lifestyle facilities to cater to the demands of the population and provide reassurance to residents that the services offered are equal to, if not superior to, those found in the capital cities.

Each Evocity council is dedicated to working with state and federal governments in support of soft and hard infrastructure initiatives that assist in actively driving a sustainable population growth in regional Australia. Currently the Evocities campaign is contributing to the sustained lifting of productivity and enhancement of the skills mix and availability in inland NSW by:

¹ Charles Sturt University, Awareness & Perceptions of Regional NSW and Attitudes Towards Relocation, March 2012

- Attracting new residents, skilled workers and professionals into regional NSW, delivering enduring economic and community benefits, including sustained increases to economic output and increases in social capital, skills and cultural bases. Reducing obstacles to industries and businesses looking to set up in regions where they can make better use of regional assets including land, natural resources and transport corridors;
- Inspiring people and investors to relocate and add to the small business community and cultural vibrancy of regional cities and surrounds, thus contributing to the mental and physical wellbeing of residents and their work productivity.
- Providing web-based systems that open the regional jobs marketplace to a wider range of city residents and employers via the Evojobs platform.

5. Sharing the Benefits of Economic Growth and Opportunity across Australia

While the growing prominence of Australia's capital cities internationally does create potential for their relevant states, it also raises many concerns for the cities which are already facing infrastructure pressures caused by a rapidly increasing population. The Evocities program over the past seven years has been offering a sound approach to assisting the NSW Government in managing Sydney's population growth, by actively driving a population shift from capital cities to regional NSW, aiding the creation of a skilled labour force, increasing workforce diversity and providing greater choice for investors and employees.

The Regional Australia Institute released a report in October 2016 stating for every 100,000 Australians who choose to live in growing cities, rather than our big five cities of Sydney, Melbourne, Brisbane, Perth and Adelaide, an additional \$50 billion will be released into the economy over 30 years in reduced congestion costs and increased consumption². Furthermore, it has been estimated that in Sydney congestion will cost \$8 billion per annum by 2021 unless appropriate action is taken³. In order to mitigate the effects of population growth in capital cities, the Government must consider initiatives like Evocities and invest in regional cities by implementing policies which incentivise families and business to move to or invest in these regional growth areas.

² J. Archer, Regional Australia Institute, Great Small Cities, <http://www.regionalaustralia.org.au/home/2016/10/economic-growth-requires-connected-regional-cities-not-factory-floors>, Accessed 14 August 2017

³ NSW Government, Premier's - Building Infrastructure, <https://www.nsw.gov.au/improving-nsw/premiers-priorities/building-infrastructure/#building-infrastructure>, Accessed 14 August 2017

The OECD has recently found that countries with a greater network of cities or polycentric urban systems have higher per capita GDP and are more likely to have a buoyant economy which can resist major negative economic or environmental impacts⁴. To create these cities and to ensure the regions benefit from the expansion of international trade, infrastructure, employment, tourism, innovation and research, the Government's aim must be to actively grow the regions and support infrastructure requirements. Including, hard infrastructure and quality roads to help to overcome the concern of distance, as well as mobile towers and the NBN network to provide technological connectivity for business and individuals. If the regions can attract quality businesses, then they can attract the human capital necessary to lead successful organisations, which in the long term benefits not only the cities, but also the new and existing residents, creating a better quality of life and assisting in population retention.

6. Developing the Capabilities of Regional Australians and Growing and Diversifying the Regional Economic and Employment Base

The Evocities are self-sufficient, vibrant cities with the economic capacity and business diversity to support a host of vibrant and dynamic industries. Currently the largest industries by employment in the Evocities include, Health Care and Social Assistance, Retail Trade, and Education and Training, accounting for almost 49,000 jobs^{5 6}. It is these industries as well as Public Administration and Safety which have also shown the largest increase over the past five years.

The Evocities economies are diverse and well structured. They all support multiple industries which afford them resilience against any major industry crashes. However, each city does have its own uniqueness whereby its locality or historic capabilities allow it to service some industries more efficiently than others. As a whole the Evocities have a combined population of over 300,000, with some cities servicing catchment areas up to three times their size, therefore service industries including superior health and education facilities are not only required but could also be supported and provide opportunity for major jobs growth.

⁴ Regional Australia Institute, Deal or No Deal – *Bringing Small Cities into the National Cities Agenda*, April 2016 p.6

⁵ Profile ID "Employment By Industry (Total)", <http://economy.id.com.au>, Accessed 3 May, 2017

⁶ Remplan "Economic Profile", <http://economicprofile.com.au>, Accessed 3 May, 2017

Regional cities, including the Evocities show a higher youth presence than the capital cities along with an ageing population⁷ and therefore a focus on building the Health Care and Education and Training sectors would not only create opportunities for regional growth, but also help to service current residents, enhance the workforce capabilities, assist in population retention and relieve ongoing pressure on the capital cities' hospitals and universities.

7. Improved Quality of Life for Regional Australians and Creating Vibrant, More Cohesive and Engaged Regional Communities

Evocities pride themselves on being vibrant and diverse regional cities which aim to engage and integrate all new residents into their communities. In the Evoindex⁸ survey undertaken in March 2017, only 34% of Sydneysiders said they felt a connection to their community. In contrast the Evocities Relocator Survey⁹ (July 2016), found almost 60% of respondents felt their sense of community had improved or much improved since relocating.

The Evocities are aware that vibrant, cohesive and engaged communities are essential to retain population and know that by creating a positive employment environment and gaining an influx of new workers a cultural change will continue to emerge. Cultural change and diversity encourages the development of new value-adding sectors to the regions, which create facilities to improve the lifestyle of local residents, ensuring population retention, as well as increasing attractions to build the tourism market.

In the Relocator Survey, participants who had moved to a regional city were overwhelmingly positive about their decision to relocate. When asked how their lifestyle had improved since making the move to an Evocity, 69 % of relocators said their cost of housing was improved or much improved; 65 % of relocators said the amount of free time they had was improved or much improved since relocating, and 63 % of relocators said their access to the outdoors was improved or much improved. By inspiring people and investors to relocate to regional capitals Evocities is not only assisting in reducing infrastructure pressure on the capitals, but also decreasing the cost of doing business, resulting in a positive impact on the lifestyle of individuals and families and creating cultural, vibrant cities.

⁷ Regional Australia Institute, Deal or No Deal – *Bringing Small Cities into the National Cities Agenda*, April 2016 pp.12-13

⁸ Evocities, Evoindex Survey, March 2017

⁹ Evocities, Evocities Relocators Survey, July 2016.

8. Place-Based Approach and Collective Governance

The Evocities concept is unique in that it is not individual cities selling themselves, but for the first time, seven regional city councils working together. Each of the seven cities has and continues to dedicate money and resources to funding the campaign. Evocities has also received funding from corporate sponsors, the NSW State Government and the Federal Government.

The combining of funds and resources means that PR, advertising / marketing and digital elements of the campaign, which focus on the benefits of living in an Evocity, have far greater impact than a campaign run by any individual city on its own. The cities have also dedicated considerable resources to welcome and support new residents to ensure they enjoy a smooth transition and a positive experience of their new city.

The Evocities program is currently benefitting from the NSW Government's Regional Growth – Marketing and Promotion Fund (RGMPF) grant of \$300,000. RGMPF is a \$1 million program designed to attract new business, investment and skilled workers to regional NSW, supporting development of regional economies. The Evocities project being awarded almost a third of the program's budget is evidence of the NSW Government's endorsement of this collective initiative.

This funding is being used by Evocities on strategic marketing initiatives to reach a mass audience. Evocities billboards have been installed on the M4 and M5 in Sydney; Australian Traffic Network Sponsorship has commenced; and radio advertisements in Sydney, Brisbane, Canberra and Melbourne have begun airing. In the first month of this campaign Evocities saw considerable increases in website traffic and engagement: The number of sessions on the Evocities website went up by 37% (13,941 vs 10,176); the average time each user spent on the site increased by 72% (02:01 vs 01:10); the number of pageviews increased by 62% (33,210 vs 20,475); and the organic search figure increased fourfold (by 209%, 5,771 vs 1,865).

These results are testament to the reach that can be achieved with the support of State and Federal Government. The RGMPF grant gave Evocities an opportunity to reach new markets including all the state and territory capitals on the east coast of Australia, which otherwise wouldn't have been possible. In the month since the funding started being utilised, website traffic from Melbourne increased by 66% (617 vs 371) and Brisbane by 60% (300 vs 187) and Canberra by 128% (187 vs 82). Enquiries through the Evocities website alone almost doubled (up 97.62%, 83 vs 42). In almost all these enquiries, individuals and families express interest in several or even all the seven Evocities,

with many stating they have an intention to relocate and are seeking information to help facilitate this. While each Council responds to these requests individually, sharing information about what makes their Evocity unique, by providing a single portal for people interested in making the move to get more information about the city/cities they may be interested in and view employment opportunities, Evocities' collective governance streamlines the experience for both enquirers as well as the relevant Councils.

As well as joining together to promote regional living and draw people to live, work and invest in regional NSW, the Evocities project is the perfect example of how collaboration between levels of government can be successful and is necessary when working towards shared goals. The Evocities campaign reflects critical identification of regional priorities by local communities, Councils and regions, and proactive investment in those priorities. The continuing collaboration between the seven cities has not only worked to enhance the impact of the marketing campaign, but also united the cities in presenting a single voice on matters of mutual interest and driving sustainable growth to each of their respective cities.

9. Conclusion

Evocities' focus is population building because it is understood that progress is linked to population numbers and the human capital which accompanies it. Whilst the campaign's focus is on the seven regional capitals, the outputs flow through to the surrounding regions. As such, it is important that the Government continues to collaborate with regional capitals, as well as state and local government to create initiatives which complement campaigns like Evocities, which actively contribute to growth and development of regional areas and reduce pressures on capital city infrastructure.

By creating incentives for capital city based companies to relocate to regional areas, expanding public services, enhancing health, education, transport and communication facilities, the regional capitals become more marketable and campaigns like Evocities will have even greater success.

In the long term, if focus is placed on the right initiatives, regional areas will not only continue to forge more resilient economies but become major players in a strong state and national economy.