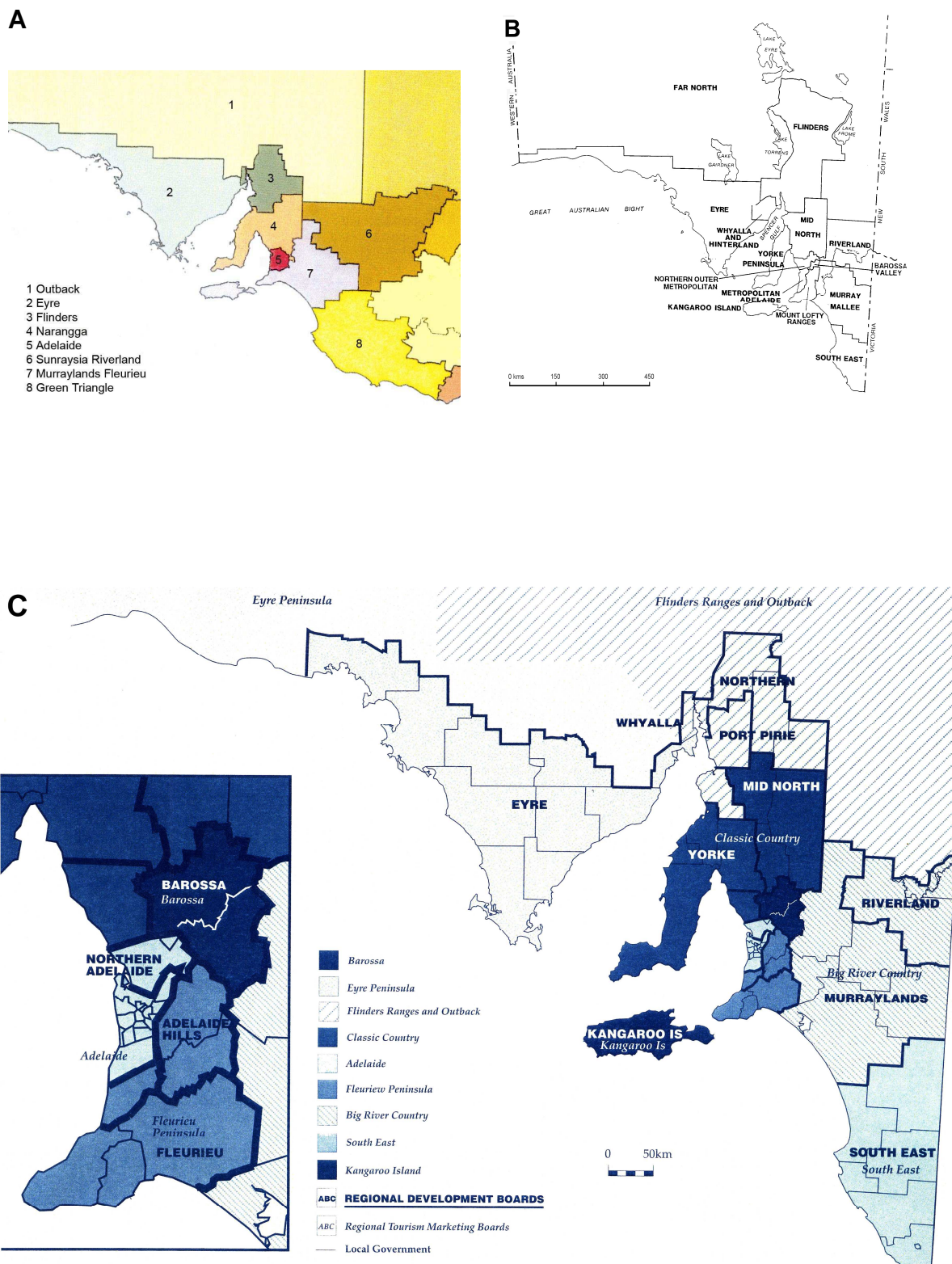


**Fig. 9.10 Selected systems of regional division in South Australia**

**A** Regions as defined in the Kelty Report, 1992

**B** Regions as defined in the Planning Strategy for Country South Australia, 1994

**C** Regions served by Regional Development Boards, and Tourism Marketing Boards, 1999



**Table 9.7 Major political and planning milestones affecting regional development since 1990: National and South Australian.**

	<b>National</b>	<b>South Australian</b>
1992		Arthur D. Little Report: New Directions for S Australia's Economy
1993	Hilmer Report (competition policy in Australia)	
1993	Kelty Report: (Developing Australia: a regional perspective)	New Liberal government elected in S.A.
1994	McKinsey & Co. Report; (unlocking growth potential of Austral <sup>n</sup> regions)	Durham & Kidman Report (Rural debt in South Australia)
1994	Commonwealth government Regional Development Programme launched	
1994	White Paper 'Employment & Growth' Sets up ACCs* and RDOs**	
1995		MAG (Ministerial Advisory Group) Report on Local Government Reform
1995		Report of Eyre Peninsula Strategic Task Force
1996	New Coalition government withdraws funding of Regional Devel <sup>l</sup> Organis <sup>ns</sup>	Premier's Dept. Planning Strategy for Country South Australia
1997		
1998	Alarm in major political parties: "One Nation" success in Queensland polls	Local Govt Boundary Reform Board: Report on outcome of reforms
1999	Regional Australia Summit 'State of the Regions' Report	South Australian Regional Development Task Force Report
2000	House of Representatives report: Shaping Regional Australia's Future	
2000	Howard government launches 'Regional Solutions Programme'	
2003	Keniry Report: 'Regional Business: a Plan for Action'	Planning S.A.: Planning Strategy for Regional South Australia.
2004		S. Australian Farmers Federation: "Rural S.A. Policy for the Future"

Source: direct from publications/Reports.

\*Area Consultative Committees; \*\* Regional Development Organisations

At the State level the mid 1990s were an important turning point in the philosophy and goals of regional planning, marking a major change from the early "Town and Country Planning" legacy modelled on the British heritage. Plans did exist for the regions shown on Figure. 9.10 B, but had a rather stereotyped urban-style approach concerned with physical planning, the built environment, zoning of land uses and the like. While appropriate in an urban context and in the peri-metropolitan pressure zone of urban growth, these plans were almost irrelevant to the problems of regional development in outlying areas.

Three important documents appeared in 1995- 96 (Table 9.7) whose effect was to move the focus from a regulatory, constraining and controlling attitude towards economic activity to one of generating, promoting and facilitating businesses and employment with a view to maintaining social and economic viability in the regions. The triple bottom line principle also made its official appearance: from a system which regarded land as actual or potential urban space, or raw material for creating an aesthetic and professionally pleasing built environment, the focus moved to one giving the natural environment much greater importance, with an intrinsic value over and above its value as a commodity. The Eyre Peninsula region had earlier been chosen as a national test case involving co-operation between former arch rivals the National Farmers' Federation and the Australian Conservation Foundation with the State government, and its Strategic Task Force report also appeared in 1995.

By the turn of the millennium, no agreement had emerged on the spatial framework for South Australia's regions. In a valiant early attempt to achieve a common regional administration for the public sector, the 1975 "CURB" Report (South Australia: Premier's Department, 1975) mapped no less than 30 different regional divisions of the State used by national, State and Local Government agencies, and proposed a well-researched set of common boundaries (South Australia: Premier's Department, 1975). Although it proved impossible to coerce most of the various Departments into using them, these boundaries were adopted by the ABS as the Statistical Divisions of the State, and thus have a lasting importance. The regions outlined in the 1996 Planning Strategy differed from the physical planning regions of the 1970s and 1980s; by 1999 the Regional Development Task Force outlined yet another set of regions, including those adopted by the Regional Development Boards and Tourism Marketing Boards (Figure 9.10 C). Yet another structure was the regional divisions of the Local Government Association, the whole overlain by the Commonwealth's Area Consultative Committees.

Not surprisingly, effective regional development was severely hindered by this plethora of institutions and areas, and was failing to make a significant impact. On the basis of a national survey of local and regional planning agencies - including 81 South Australian respondents - Maude (2003) and Beer and Maude (2005) sum up the chief obstacles to progress. A long list of reported problems includes inadequate, short-term funding too strongly tied to specific projects or uses; a resulting rapid turnover of good staff; too much top-down influence by funding bodies on what was attempted; lack of local flexibility and autonomy; too many uncoordinated, partly competing organisations lacking an overall leader; confusion between roles of the three levels of government; frequent failure of higher-level government to involve local bodies in major negotiations with big companies; and uncertainty over the extent of their empowerment to take the lead in the economic development of their region. Many of these problems are also cautiously acknowledged in the 1999 Regional Development Task Force document. This, then, is the real environment in which the neo-liberal mind-set of both major parties is expecting the 'regions' to generate their own long-term survival and sustainable development - with niggardly funding despite some 15 years of continuous national economic growth.

***Regional development Boards: a solution at last?***

I now turn to the vital question of the way the work reported in this thesis relates to the vexed task of regional development, concentrating first on the potential upward movement of a sense of belonging and localism to the regional level. One of the most promising developments is the bottom-up process of the emergence of regional alliances between communities to form Regional Development Boards. During the early part of the rural crisis one of the major problems of the Eyre Peninsula communities was the lack of a single, recognised and powerful voice to put the region's case. The emergence of the Eyre Regional Development Board, and similar Boards across the State during the 1980s was a key achievement in the upward transition of local identification.

Most of the present thirteen Boards had their origin in the late 1980s or early 1990s, and went through a slow formative period during which roles were defined, ingrained local rivalries and concerns resolved and alliances of neighbouring LGAs formed. Latching on to these local initiatives, a standardised structural framework for the Boards was provided by the State Department of Industry, Trade and Technology's Economic Development Authority, which provided basic funding for five year periods through Resource Agreements, supplementing local contributions on a two to one basis, or under certain conditions three to one. Extra limited-term funding was also secured from various federal government sources. By 1993 several Boards had issued their first strategic plans, not stereotyped like the early State regional plans, but specifically tuned to regional problems and conditions. Having grown from local, bottom-up initiatives, they are dominantly concerned with economic and social rather than physical planning, and at least aim to be proactive and issue-focussed, and to foster a "can-do" attitude to regional co-operation.

As one example, the first Annual Report of the Murray Lands Regional Development Board (1993,1-2) illustrates the protracted process involved in establishing such Boards by the "bottom up" route, and the role of the State and regional representatives of the Local Government Association in persuading individual Councils to become involved. The whole process was initiated by leaders outside of local government and took over 18 months to bring to fruition. Two of the ten Councils refused to join, and "at Peake District Council Chambers ... twenty-five delegates cautiously discussed the proposal as presented". Finally (May 1993) the Board's future was secured by the signing of the resource agreement, and "the many months of debate and haggling ... were now behind us". Although slow, this process of emergence of pro-development leaders, overcoming local rivalry, negotiating democratic control, creating a climate of regional co-operation, and forming an appropriate structure for action illustrates exactly the process required to redefine 'the local' upwards to embrace a region of constituent communities. The model that has been emerging is one of a group of co-equal small local authorities (*before* the 1996 amalgamation round) voluntarily co-operating to plan at the regional level, and illustrates the slow formation of bridging social capital.

Comparing the areas administered by the various Boards with the social and business patterns shown up in Chapter 7 (Figures 7.8 to 7.10) it is clear that in most cases these areas make a great deal of sense. Perhaps coincidentally, they correspond quite well to the regions proposed in the CURB report. At this regional level, the business and shopping patterns of Figures 7.8 and 7.9 fit well into the regional boundaries, while the social catchments (7.10) in most cases nest within these boundaries rather than

being split by them. In the cases of the Eyre, Riverland, Murray Lands, South East, Kangaroo Island, Adelaide Hills and Barossa RDBs the fit is good. Moreover, in terms of natural resource management, in most cases the State's short "river" catchments also fall within the boundaries, with only two Boards at most needing to collaborate on any one catchment. The interaction patterns on the above Figures also fit the logic of co-operation between the Whyalla, Northern and Port Pirie Development Boards to form the Upper Spencer Gulf Common Purpose Group, based on the NSW Hunter Valley prototype. While their social and shopping catchments are discrete, the "Iron Triangle" grouping is eminently suitable on other grounds, without weakening the strong local commitment of residents to their respective large, traditionally rival cities. To illustrate the gradual emergence of a broader regionalism, a letter from the above newly formed Common Purpose Group to the then Premier (John Olsen) pointed out that the Government's Task Force terms of reference appeared to give the Task Force the responsibility for developing the concept. It went on:

... the CPG believes that it is also the responsibility of the Region to take such action, and is grateful that the Task Force has provided appropriate support and facilitation to enable the Region to develop its own plans in its own time. This process will no doubt take longer but we are confident that because the region has ownership of the process a more sustainable outcome will be achieved.  
(South Australian Regional Development Task Force 1999, Appendix M)

The area of the State where the allocation of regional boundaries is most difficult is the Lower and (especially) Mid-North, where the social shatter belt created by the surveyors in the Intermediate settlement zone in the 1870s and 1880s has left the numerous, small and closely spaced towns without a clear regional capital, and the much-amalgamated Council boundaries are out of kilter with their constituent communities. The nearest approach is Clare, with Port Pirie having some influence in the north, Gawler and the Barossa towns in the south, Kadina in the west. In the event, the Wakefield Plains regional Council has joined with the Yorke RDB, rather than the Mid North, although its north-eastern territory has more affinity with Clare (Figure 9.12).

## **Localism writ small: the communities within the regions**

### *Localism as a legitimate force*

There is a tendency, notable among State and Commonwealth organisations dealing with the reform of regional governance, to dismiss the legitimate interests of local representatives and leaders in the well-being of their communities as "parochial". Impatient to achieve scale economies, those charged with reform seek to dismiss non-economic arguments as irrelevant. For example, in relation to the State's system of Regional Development Boards, the South Australian Regional Development Task Force comments (1999, 115): "The Task Force believes that some Boards have too small an area of responsibility, so thinking tends to be local and parochial." Similarly the 1995 Report "Reform of Local Government in South Australia" (South Australia: Ministerial Advisory Group, 1995, 9.3 – 9.4) warned its Minister that there is "a need to recognise the strength of the emotive arguments that will be put forward in the debate, against logical arguments"; and "Many of the arguments that will be

put forward are simply not valid, taken out of context, or fail to take the overall picture into account.” As an example the Report quotes the following extract from a written submission:

Consideration needs to be given by the Government to ensure that they do not lose the ‘local’ from Local Government – there is no doubt that the smaller Councils enjoy a greater empathy for and communication with their residents, and this is brought about by its smallness – any expansion of those principles will destroy the long held belief that residents should contribute to their community, for there is no doubt that if the community is taken away from them, their identity, individuality and autonomy and right to make decisions about those very life issues which impact on them on a daily basis will similarly be taken away and given to some distant bureaucracy who will treat everyone with sameness, lacking individuality.

In fact, the above is exactly what happened in the case of the Gilbert Valley communities, Riverton and Saddleworth (not the authors of the above citation). While both had their own Council, each elected a full complement of representative members. After they were amalgamated into a four-council grouping based on Clare, interest waned and it was difficult to get anyone to stand for election. (Smailes 2002a, 76-79). There is an undoubted need for change to a broader scale of operations, but there is also grave danger of equating the deep-seated need for the local with mere “emotionalism” and “parochialism”. *Non-material values do also have importance*, and cannot simply be discredited and ruled out of court by pejorative and negative labelling, while counter-arguments for large-scale units are legitimised by power brokers in positive terms such as “efficiency”, “scale economies” and so on<sup>1</sup>. Localism need not descend into narrow parochialism, and needs to be seen not a tiresome handicap to regional development, but as a resource to be conserved and expanded in scale.

### ***Matching community mapping to the Census database***

For the purposes of synoptic geographical analysis at State or national level, and to trace trends over time, it is essential that the mapping of perceived local communities that are most meaningful to rural people should be matchable to census data. None of the currently available spatial units in the Australian Standard Geographical Classification (ASGC) adequately perform this task. Local Government areas are obviously vital statistical units, but their correspondence with social catchments is variable, and in some cases very poor. Moreover they are subject to frequent boundary changes and amalgamations. Their subdivisions (Census Collectors’ Districts or CCDs) were designed for ease of collecting, rather than disseminating, statistical data. Their boundaries tend to follow main roads and thus systematically split rather than enclose small communities or neighbourhoods. The other potentially useful data unit (postcodes) also fail to correspond to social units since they are composed of whole Collectors’ Districts. The ‘meshblocks’ to be introduced in the 2006 Census will hopefully assist in matching social areas.

An understanding of the actual geography of socially-defined spatial groupings is nevertheless essential, and the map a vital tool. Next, therefore, I go on to outline a

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<sup>1</sup> Considerable doubt has been cast on the significance of supposed local government scale economies (Dollery and Johnson 2005)

method to produce such a tool, developed from the work described in earlier chapters, and recognising that community attachment occurs at different levels. This methodology is described in full elsewhere (Smailes et al. 2002) and only a skeleton outline is given here.

In mapping the community areas, uninhabited areas of 150 square kilometres or more (e.g. National Parks, large salt lakes) were first excluded. Also, as the output was to be compatible with Census data, the spatial units need to be exhaustive and mutually exclusive, in order to avoid double counting and ensure that totals for a given area equate to Census totals. Therefore the frequent areas of overlap and occasional gaps between adjacent communities are split along median lines, and the multi-layered nature of people's community allegiance is met by producing maps at four different levels, with a linkage tree joining the smallest neighbourhoods to larger neighbours on the basis of their respondents' listing of second and third places of social importance. It is important to note that this grouping process is done entirely on the basis of social connections. No attention has been paid to the data on shopping and business interactions. The four-stage procedure, which draws on the 1982/83 and 1992/93 postal surveys, is described in Appendix 6.

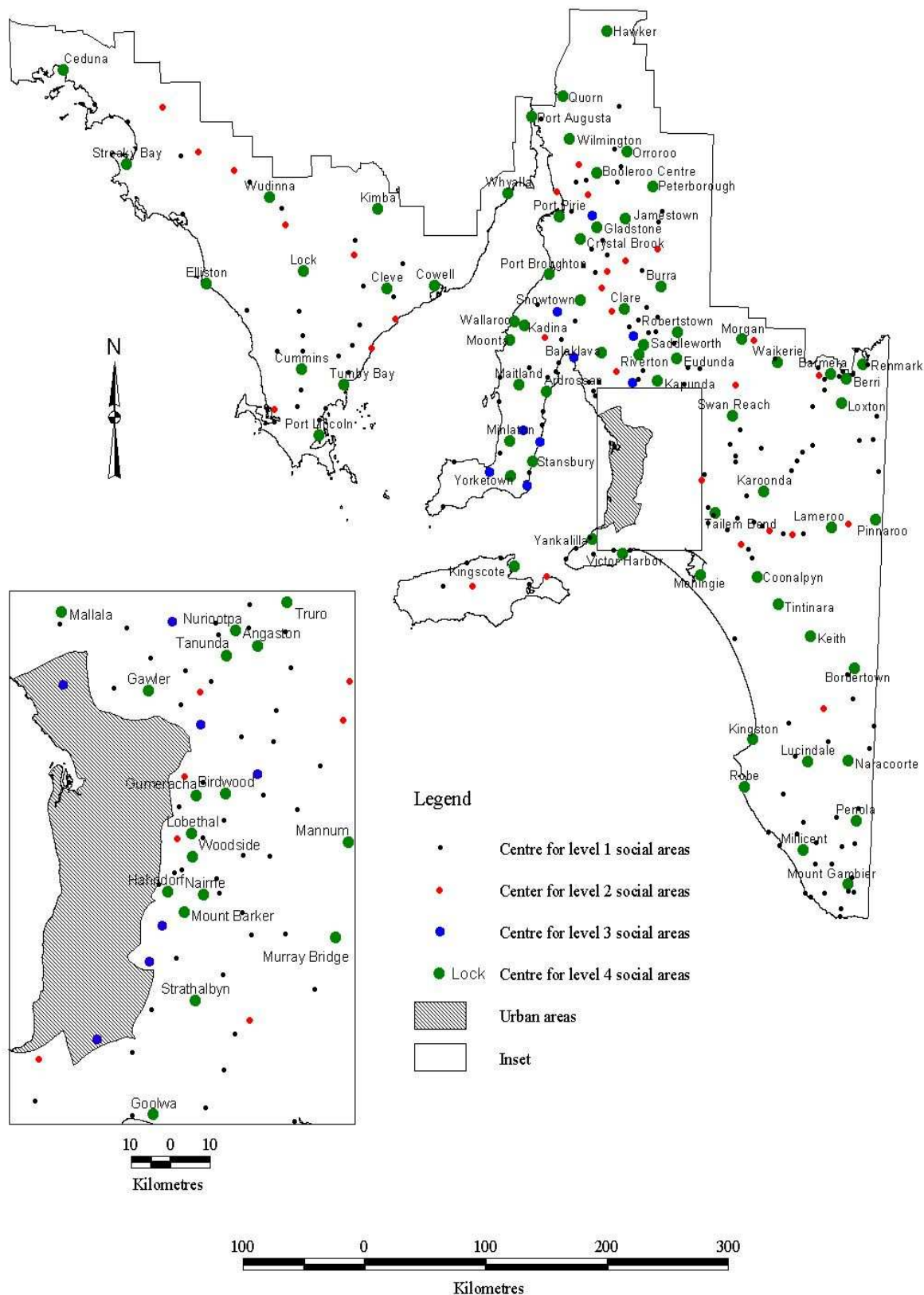
Briefly, Stage 1 identifies *all* 309 places named as primary centre of social importance, many of them tiny neighbourhoods with social catchments not mappable at this scale. At stage 2, some of these are combined with the place named as second in social importance to produce a detailed social catchment map of 134 places. These are still too small to be approximated by Census CCD data, so at Stage 3 a further amalgamation using the linkage tree reduces the number of places mapped to 99. Finally, at Stage 4 these are further reduced to produce 84 spatial units of a scale comparable with social catchments in the eastern States.

The original 309 centres are classified by Stage on Figure 9.11, which also serves as a key map to identify the individual Stage 4 centres. The outcome of the Stage 4 procedure is illustrated in Figure 9.12, which forms the base for the maps of demographic change used earlier in this chapter (Figures 9.1 to 9.3). Figure 9.12 also shows the boundaries of the Regional Development Board areas, superimposed on the social catchment (community) boundaries. Appendix 6 gives an example of the methodology used to estimate these (artificially) mutually exclusive areas from the web of social interactions derived from the postal questionnaire data for a sample area of the State. The results at Stage 2 and Stage 3 are not presented here for space reasons, but may be of much use for various practical purposes within South Australia, depending on the level of detail required.

### ***Localism within the regions***

From the above, the Regional Development Board (RDB) boundaries at least appear to make sense in terms of regions to which ordinary citizens will in time develop a broader-level identity and loyalty, probably led by elites and locally respected leaders with input by outside facilitators. Edgar (2001) in his chapter on 'Redefining regionalism' has some instructive examples. I turn now to the question of policy for the smaller communities within these incipient regions, and the large but increasingly strained reserves of social capital invested within them. As Figure 9.12 demonstrates, each RDB has a constellation of local communities nested within it, almost all of

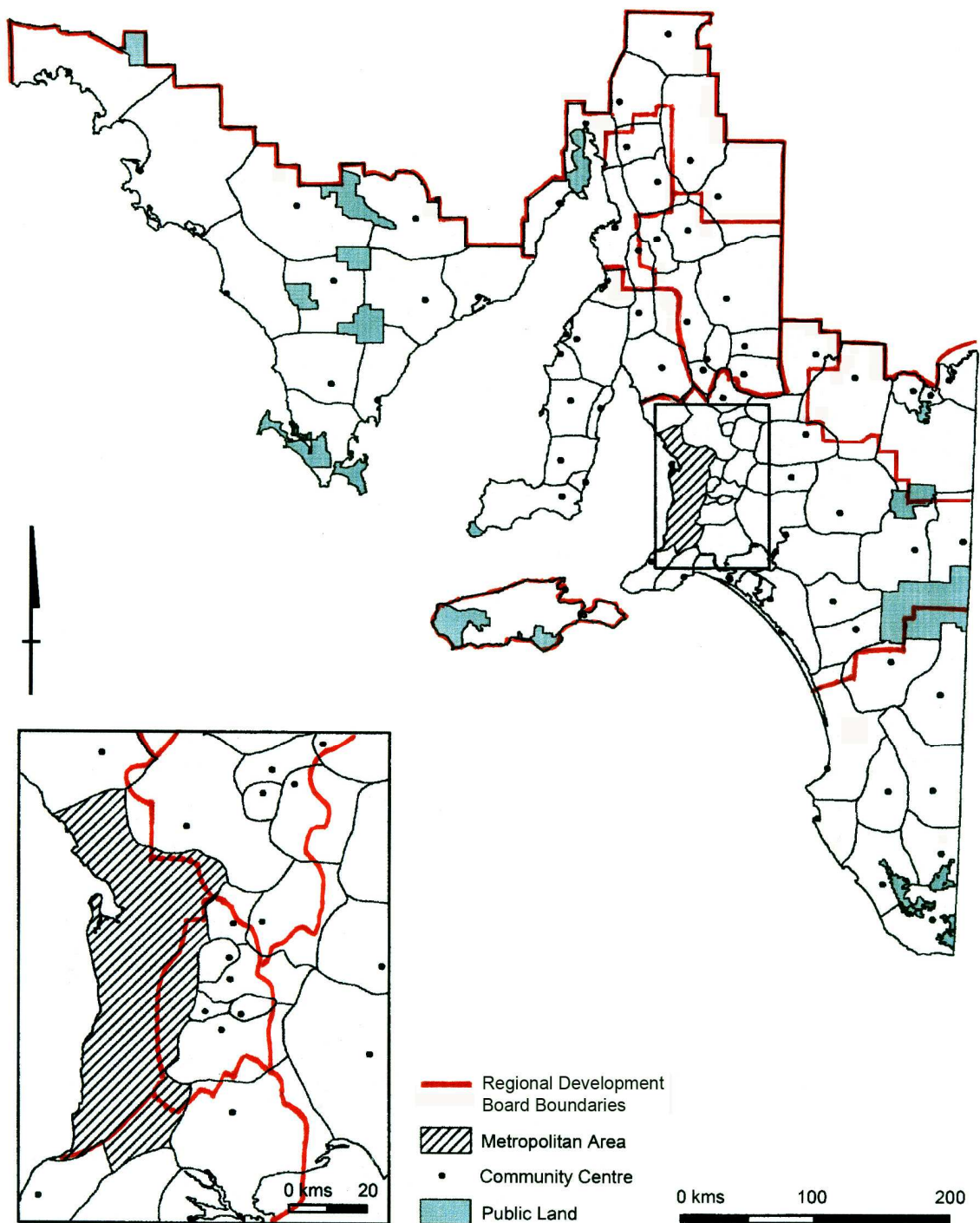
**Fig. 9.11 Places named as most important social centre, classified at Levels 1 to 4**



Source: Smailes et al. 2002, 9



**Fig. 9.12 The relationship between the Regional Development Board regions and rural communities (Level 4 mutually exclusive social catchments).**



Source: Smailes et al. 2002, 21 and South Australian Regional Development Task Force 1999, 2

which (and even some of the regional centres) on a national scale would be centred on a “small town”. A great deal of recent attention has been focused on Australian country towns - especially “small towns” - with a tendency among some researchers to write them off as a lost cause (Sorensen 1998; Forth 2001, Forth and Howell 2002). In other cases researchers are more sympathetic, recognising both the privations and resilience of small communities (e.g. Cheers and Luloff, 2001; Haslam McKenzie 2000; Budge 2003; Cocklin and Alston 2003). The research in this thesis clearly belongs to the latter group. A number of important points about this debate need to be made at the outset.

First, let it be made clear that the use of the term “country town” as shorthand for the entire community that centres on such a town is both misleading and lazy. It is of course much easier to get population and other data for the town than to conduct field work to define the whole community, whose urban and rural components are linked as a symbiotic unit. However, for the 84 South Australian communities in the present study (Figure 9.12) the rural and urban components of each community can be separately identified. The central town has a median value of almost exactly 50% of the total population, but the urban proportion can be anything between 16% (Swan Reach, a small town on the Murray set among holiday homes, irrigation and retirement settlements and Mallee farms) and 98% (Whyalla, set in almost empty semi-arid saltbush and mulga country). The inter-quartile range is 38% to 65%. Neither does taking the town on its own neatly separate the homes of the community’s secondary and tertiary employment from those of the primary producers. On the contrary, far from consisting only of farm households, the rural element has a diversity of employment, including in 40 of the 84 cases some small neighbourhood centres in the town’s social catchment. The absurdity of blanket statements about towns of below/above a certain *urban* population being destined to decline, or the converse, should be obvious.

Second, simplistic statements about country town sizes, sustainability and scale economies fail to take into account the great variations in rural population density – a topic which I (together with two colleagues) consider a vitally important factor in rural planning (Smailes, Argent and Griffin, 2002). Putative threshold populations for “town” viability *must* take this into account. In coastal New South Wales, it might be reasonable to describe a place of 5000 people as “small”. In South Australia at the 2001 Census, this would leave only nine country towns as “not small”. Similarly, when evaluating the per capita cost of service provision against population size of LGAs (as in the South Australian MAG Report on Council amalgamations) quite misleading conclusions can be reached by failing to control for population density: what appears to be a cost due to small size may in fact result from low density, particularly in the case of road provision and maintenance, but also for any service requiring travel or distance related inputs. Elsewhere I have suggested (Smailes 1996) that rural population density of a community at the outset of a period is a better predictor of change over that period, than is the population size of the main town. A fulcrum density may be a better yardstick for potential sustainability than a fulcrum town size.

Third, contrary to figures of popular speech, towns very rarely abruptly “die”, “evaporate” or “expire” from the loss of even a major pillar of their economy (e.g. see Stayner, 2003 on Guyra, NSW). They eventually stabilise after the downward spiral

effect (Sorensen, 1993) has run its course, and adjust to a lower level of functioning. They retain their role as the foci of social interaction long after they lose importance as shopping and business centres, and remain providers of place identity and belonging for even longer after that. To reduce them to just a ghost neighbourhood with a few ruins around a cemetery to attract historians and curious tourists (like Hammond, Bruce, Morchard, or Willochra) takes a very long time.

What then should be the policy for the constellation of small communities as illustrated in Figure 9.12? In meaningful planning for rural areas the rural population cannot be treated as an amorphous, aspatial whole. Many reviews and inventories have been made of the apparently inexorable trends working against small communities, and the tough row they are bound to have to hoe in the future – none more thorough and penetrating than those of Sorensen (1993, 1998). Separating the adverse trends into ‘big picture’ international trends over which the Australian government has little or no control, and ‘little picture’ essentially reactive national policy outcomes, Sorensen (1998) clearly expects the globalisation imperative to continue unchallenged at the former level, and economic rationalism along with neo-liberalism at the latter. He goes on to review the potential and likely outcomes resulting from these two for rural Australia, and I would agree thoroughly with most of them. He sounds two important warnings: first about the vital importance but scarcity of good leadership in a self-help regional development climate, and second about the potential uneven impact of Internet shopping and banking on the smaller country towns as opposed to the regional capitals (which in turn may lose Internet trade to the State capitals). The regions are already well behind in access to IT compared to the capitals; within the regions, a much greater concentration of people with IT know-how living in the regional capitals may allow them to capture even more trade from standard country towns. This warning is taken up in the 2000 “Time running out” report:

There is no doubt that telecommunications can provide people in rural areas with access to information, education, entertainment, and other services in an accessible and economical way. But the reverse of these positive opportunities is that they will also expose thousands of small, unprepared businesses to the harsh and aggressive global competition allowed by the Internet.  
(Parliament of the Commonwealth of Australia 2000, 120.)

However, it is in the policy that should result from the forecast hard times ahead that I take issue with Sorensen, and even more with Forth and Howell (2002). Sorensen’s views clearly advocate continuing concentration of the regional population into major centres. He suggests for example that by 2010 there will be few Councils left with less than 20,000 inhabitants, while small rural centres not in favoured locations will continue to evaporate or expire and “perhaps the government should practice euthanasia on the more terminal places” (Sorensen 1998, 120). Strong regional centres are undoubtedly important, and among other things provide a mechanism to retain people in the region who would otherwise have moved to Adelaide or interstate. But the outcome of a crude policy of simply concentrating resources into regional growth centres, and deliberate “euthanasia” of outlying settlements is likely, I would argue, simply to be continued decay in the regional peripheries, leaving over-dimensioned centres without the population they were meant to serve. The decay of the periphery, over time, is likely to reduce the total population of the whole region, far more than offsetting any temporary gains in the regional centre. Such centres have

been termed ‘saprophytic’ in Norwegian regional planning, where the maxim is “look after the periphery and the centre will look after itself”. (A saprophyte is an organism that feeds on decaying matter).<sup>2</sup> As a South Australian example, the Mid-North region lacks a well marked regional capital, but this does not mean that Clare should be strengthened by deliberately shifting functions into Clare from its seven constituent smaller communities in a zero-sum game. Growth and prosperity for Clare businesses will come far more from a network of vibrant smaller communities in its hinterland than from a landscape of derelict small centres surrounded by exogenously-owned agribusinesses.

Accordingly, reverting to Figure 9.12, I would maintain that regional policy should aim at maintaining the constellation of small communities within each Board as going concerns to the greatest extent possible. This does not mean that all of them could or will survive at their present functional level, but that all should be given the *chance* to promote their own survival through local initiative, and to compete for available local development funds, so that the *system* of localism at this level will survive despite some places sinking from community to just neighbourhood status. The subsidiarity principle (that initiatives giving new employment be allowed and encouraged as far down the hierarchy as is consistent with their longer term viability) should be followed in preference to deliberate concentration. Relevant South Australian examples are wineries, making paper from straw, ethanol from cereal crops, marketing Australian wildflowers, top quality hay export to Japan, craft industries employing young women. An excellent model from Europe (Parmesan cheese production in Parmigia-Reggiana, Italy) shows how focusing on very high quality food not only assures an export market but doubles employment on regional dairy farms (Van der Ploeg, 2003).

As Sorensen rightly observes, in a competitive situation the qualities of leadership and initiative are vital determinants in the fortunes of small communities, both in maintaining current businesses and in building new employment possibilities. High quality leadership skills are very rare and sporadically distributed. The Gilbert Valley study (Smailes and Hugo 2003) demonstrated the danger of burnout and ageing of existing leaders, and difficulty of recruiting replacements. For this reason alone it is unlikely that all the current communities on Figure 9.12 will remain at or close to their 2001 Census population levels. I do not believe, however, that Regional Development Boards should attempt to pick out certain towns for survival, and withdraw support from others: in this respect *laissez-faire* has some advantages in allowing the best locations to pick themselves, while not removing all hope from the others. There are other ways in which local development meshes with neo-liberalism (Beer, Haughton and Maude 2003, 33). There will be much further change before any degree of stability can be attained; and even then, continuous local adjustment must be expected. We must not repeat the 19<sup>th</sup> Century surveyors’ mistake of setting up an over-rigid settlement structure geared to a certain level of technology and mobility, and afterwards subject to inertia.

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<sup>2</sup> There is a serious need for careful research up to date on the actual effects over time of regional centres on their catchment areas. Alleged mechanisms such as the ‘sponge city’ effect and the opposing ‘trickle down’ effect tend to enter conventional wisdom unchallenged with potentially dangerous results.

With respect to equity of service delivery, the Gilbert Valley study showed that the three most vital, minimal public sector elements wanted by residents to sustain their community were health, access to primary and secondary education, and police protection. Others may be seen by residents of remote communities as less important, but arguably Australians should have a right to public provision of these three wherever they live in the Commonwealth. Thus I believe that regional policy should secure provision of at least these to all the constituent communities; and for the rest, do what is possible to retain a satisfying (to the residents) lifestyle, building on continued strong identification of people with place as well as with peer groups. Community loyalty, social mooring and the feeling of belonging are vital elements in the “psychic income” of rural life, developed in situ over time, and not easily reproduced through social engineering.

### **Governance of and within regions**

Figure 9.12 also raises the vital question of what should be the appropriate governance model for a system in which economic viability depends on strong and effective leadership at the regional level, while social sustainability depends on a network of freely co-operating, quite small communities with strong place identity, able to make coalitions and groupings to achieve social service outcomes as issues come up, and gradually developing a common localism at the regional level. The issue is addressed by several authors. Maude and Beer (2003) advocate the merger of Regional Development Boards with the ACCs. Daly (2000) advocates large regional Councils with certain functions devolved to sub-units. Perhaps the most radical proposal is the complete abolition of States and their replacement by 51 Regional Assemblies in a two-tier government of a Republican Federation of Regions, seriously argued by Hurford (2004). Hurford gives South Australia eight regions, of which two cross the State border. This unlikely solution would give local communities no voice, and abolish the only sub-national spatial units with permanent boundaries, institutions and loyalties. Gray and Lawrence (2001) build up a case for permanent regional government within the State framework, with which I concur in principle – except that they unreasonably write off traditional-scale local government, do not recognise the social geography of belonging and identity at the sub-regional level at all, and right at the end (pp. 204-208) rather surprise the reader by advocating that their regions be catchment-based or bio-regions. The problem of non-coincidence of community with catchment receives no attention, either in their 2001 volume or in Lawrence’s (2003) further development of the idea. A most interesting effort to define “Eco-Civic” macro-regions in New South Wales takes both the social geography of local attachment and natural resource geography into account in a nested hierarchical system (Brunckhorst, Coop and Reeve, 2004). These authors use a methodology somewhat akin to that discussed in this thesis to define social regions, but do not get down to the level of the individual community. This approach would create 49 entirely new non-metro LGAs and virtually wipe the slate clean for local and regional governance, and has been criticised on economic grounds by Dollery and Crase (2004).

In the light of the above, I believe that to achieve a sustainable social system in South Australia into the new century, the need is for a system that redefines Local Government Areas to correspond with the Regional Development Board regions (Figure 9.10C) with the Boards having *ex officio* representation on the new Councils.

This should be accompanied by the devolution of both functions and funding from Commonwealth and State to Local government, and a constitutional guarantee of the permanence of the new system to prevent future national or State governments simply abolishing it – as with the DURD programme on the fall of the Whitlam Labor government.

At the same time, it is essential for the new structure to give local communities within the regions a continuing identity and legitimate collective voice. These issues were thoroughly canvassed almost three decades ago during the Norwegian debate about planning for small communities embedded within larger Local Government Authorities, and remain totally relevant to South Australia today. For instance, Thuen and Wadel (1978) point out the need for small communities to take part in shaping their own local milieu in response to changing conditions. However, without a structure to give them legitimacy they are “headless” entities. No definite persons have power to act in their name. On any one matter, some sort of local leadership may emerge, giving higher level planners someone to talk to. But if the said planners do not want to co-operate, they can easily raise doubts about the leaders’ representativity, or otherwise entrain the decision until the ad hoc local organisation gives up, with no formal avenue of appeal. In today’s Australia this scenario is too close to the mark - even at the regional level, let alone small intra-LGA communities.

To avoid this situation, I believe that the existing (including recently amalgamated) small Councils should be reconstituted as something more than Wards but less than independent entities within the new LGAs, with an agreed set of subordinate local responsibilities, as suggested by Daly (2000) and O’Toole (2001). Where necessary minor boundary adjustments should be made to correspond better with the local communities shown on Figure 9.12. I suggest that the Kennett (Victorian) government action in forcing amalgamation of small Councils without first designing such a system was a mistake that should be avoided in South Australia.

In the meantime, until this major reform can be instituted and while the process of upward transfer of localism proceeds, no further amalgamation of the existing LGAs should take place. This will assist currently well-functioning communities to survive in the interim. The importance of the autonomy conferred by local government on a community, and the severe consequences of its loss, was one of the important conclusions of the Gilbert Valley studies (Smailes and Hugo 2003, 102-103), and in fact came through to varying degrees in all the six studies reported in Cocklin and Alston (2003). O’Toole (2001) succinctly demonstrates the demoralising and disempowering effect of the sudden, sweeping Kennett amalgamations on eight small Victorian towns in the Wimmera. As he remarks (p.151), “Once amalgamated into a larger enterprise, small towns were reduced to pleading for funds to support local projects”. He lists the following components of autonomy, which local government confers (my abbreviation):

- Authority: the right to carry out services and functions
- Finance, raised from taxes, fee for service or borrowing
- Political legitimacy, conferred by democratic election
- Information resources and access
- Organisational resources: people, skills, land, buildings etc.

To these I would add permanence, continuity, and the right to speak for and negotiate on behalf of the community with the outside world. No other community organisation, however well respected, has this right on an ongoing basis. Equipped with such legitimacy, local communities in sparsely peopled areas can negotiate a series of coalitions with their neighbours to achieve particular joint projects. An example is the joint efforts of Elliston, Le Hunte and Streaky Bay D.C.s on Eyre Peninsula to improve their hospital facilities. Thus I believe, as expressed in a submission to the S.A. Minister for Local Government on the Ministerial Advisory Group (MAG) Report, that the 1996/97 boundary reforms were a mistake. They succeeded in reducing seventeen of the small Mid-North Councils to only seven, but in my view fell between the two stools of retaining the autonomy of existing communities on the one hand, and creating meaningful, lasting units with adequate scale economies on the other. Moreover, as with the Wakefield Regional Council, they missed the opportunity of fitting local government units better to broader regional boundaries.

On the latter I emphatically believe along with Lawrence (2003) that the triple bottom line needs to become a quadruple bottom line, adding governance as the vital missing ingredient. Until an appropriate, unitary and agreed form of governance for regions is devised for Australia, our efforts at regional development are doomed to be pathetically meagre and ineffective on an international scale. Lawrence (2003, 165) sets out an eight-point programme of required steps, with all of which I agree except for the vagueness and lack of research on the nature of appropriate regional boundaries, and the lack of provision of some limited autonomy for individual communities.

## **Community mapping in broader applications**

### *Putting South Australia in national perspective*

Understanding developments in a particular State or region demands a broader context and comparative analysis. Hence a major application of this work (described in detail in Smailes et al. 2002) is extension of the principle of social catchment analysis to other States. With South Australia as a template, a modelling procedure (outlined in Appendix 6) produced approximate social catchments for Victoria and New South Wales. To give just one example, Figure 9.13 places South Australian rural communities in the context of the whole south-eastern Australian ecumene, showing how far behind the eastern seaboard South Australia lies in relation to diversification of the rural economy. The map picks out communities of particularly high industrial diversity within the workforce at the 2001 Census (over one standard deviation above the norm for the whole study area), and the converse for those with particularly low levels of diversification<sup>3</sup>. The contrast between the western and eastern halves of the map is but one example of many highly relevant features of rural community development that can be traced over time using this database, even with gravity-model simulated catchments.

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<sup>3</sup> For each community, the number of persons employed in the *three* largest of the twelve standard industrial sectors is summed – whatever the largest sectors may be in the particular case involved. This sum is then expressed as a percentage of the community's total workforce.

### *The practical significance of mapping areas of social attachment*

Quite apart from the research significance discussed above, there is a demonstrable practical value of, and demand for, maps giving an overview of qualities variously described as “community identification”, “community of interest”, “social catchment areas”, and so on. Environmentalists seeking to enlist the “community” in co-ordinated conservation measures for catchment-based natural resource regions often find to their cost that social catchments may differ from river catchments, and need to identify the former (Broderick 2005). Rural politicians and planners are well aware that localism and the sense of local identity are real and potent forces. Whether it be for politicians interested in unravelling inter-town jealousies and lobby groups, advertisers aiming to cover specific community groups, commercial travellers designing sales territories, or those concerned with the social impact of developments such as highway bypasses of towns, new quarrying or mining licenses, or closure of existing facilities, knowledge of the areas that actually mean something to the people being planned for is a vital first step.

Additionally, evidence on community identity has frequently been sought in connection with the design or redesign of territorial boundaries such as electoral subdivisions, Census statistical units, Church parishes, and LGA and Ward boundary reform (South Australia: Royal Commission into Local Government Areas, 1974; South Australia: Ministerial Advisory Group on Local Government Reform, 1995; Hassell Consultants, 1995; Smailes 1995). The importance of matching local government Ward boundaries with the spontaneously evolved communities has already been emphasised.

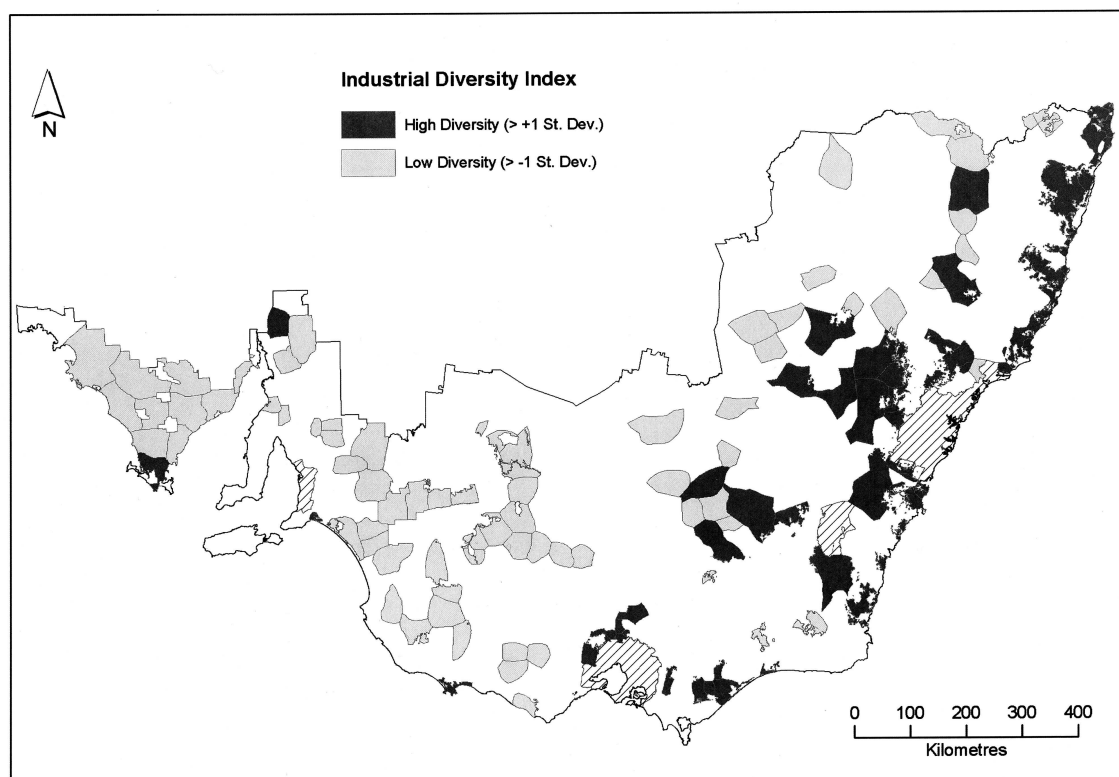
### **Summary and conclusion**

In this chapter, I have sought to draw on the impact of the crisis years to a) demonstrate the ongoing need for a just and equitable policy intervention by State and (especially) Commonwealth governments; b) to indicate a viable solution to the chaotic, contested and nebulous but *necessary* concept of ‘region’ as a spatial framework for intervention; and c) to suggest a suitable policy that will, within each region, sustain a system in which a system of ‘vibrant’ local communities and regional capitals co-exist in symbiosis.

In order to do this, I first examined a number of key trends that developed during the rural crisis decade, to determine whether they had persisted over the succeeding 12-14 years. The findings were that at least in the broad-acre farming regions surprisingly little subsumption had occurred in the family farming system. In the State as a whole the rural workforce has recovered from its lowest ebb, boosted particularly by the boom in viticulture, but the lagged impact of the population losses in the crisis years were continuing to work their way up the population age structure. A greater number of communities were declining in total population and a serious reduction in the young adult age groups was noticeable across most of the study area between 1996 and 2001. At the same time, an equally large and widespread increase occurred in the oldest age groups.



**Fig. 9.13 South-eastern Australia: distribution of communities with particularly high and particularly low diversity in the industrial structure of the workforce, 2001**



Source: database prepared for Argent, Smailes and Griffin (forthcoming 2006)

Rural dilution was continuing through in-migration in the core and intermediate zones, but at least in the core zone its nature was changing somewhat as house price increases were tending to raise the economic status of incomers and reduce the proportion of welfare clients. The absence of a new retail census precludes a State-wide analysis of the ongoing increase in business leakage and consequent weakening of the economic role of small communities, but case study evidence suggests the process is continuing steadily.

All the above evidence suggests that the stress which many local communities were put under during the crisis has lessened, but not disappeared, and is likely to continue, particularly in the outer settlement zone. Resilience is strong, but in the smaller communities protracted struggle has placed much strain and the danger of burnout on local leadership. My field experience and reading of the evidence suggests that while most communities (as defined in Figure 9.12) will be equal to the challenge, many will need to adjust to a reduced suite of functions, and some will decline from community to neighbourhood status. Thus in this chapter I have emphasised the great need for grouping and collaboration between adjacent small communities and, most importantly, the need to complement existing strong local loyalties by expansion of the spatial scale of what has hitherto been perceived as the local.

The chapter has revealed that since 1993 my earlier conclusions on the stability of the basic geography of social interaction and community identity remain valid. Only very minor changes around the edges were observed. However, a modicum of encouraging evidence has been produced that feelings of belonging and identity have been very gradually creeping up the spatial scale, loyalty to one's primary focus of belonging gradually being shared a) with neighbouring larger places, b) between groups of adjacent towns, c) towards the broader region in which the specific community is set. A pre-existing rather vague feeling of regional belonging is beginning to spread, at the individual household level and between groups of communities in the bottom-up process of formation of Regional Development Boards, and even, incipiently, between Boards. Moreover, with increased mobility the overlapping and fusing of formerly self-contained local job markets is bringing communities together. It must be stressed that by far the dominant motivation and focus of belonging remains at the level of the individual community, but the situation is not without hope that the redefining of the local is possible.

In this chapter, because of its vital importance in framing policy for rural and regional Australia, I have concentrated on the nexus between the geography of the social organisation of space (as established in earlier chapters) and the problem of "what to do about regions". That is, to cut through the fog of confusion about how to provide a common spatial framework for administering Commonwealth and State policy for the regions. I suggest that the regions as used by the Regional Development Boards of South Australia have the following advantages:

1. In most cases they already mean something to the people being planned for
2. They are large enough to achieve scale economies for many purposes, but not so large as to appear to rural people as mere aggregates imposed for top-down convenience
3. The sense of the local, and the need for the local, now primarily vested in the multitude of local communities, has a reasonable chance of migrating upward over time to the regional level using this framework, without abandoning the important social role of the present constellation of local communities.
4. They are capable of being spatially and functionally fused with an upgraded and reinvigorated regional local government, giving legitimacy, permanence, and accountability to their people
5. They are capable of being grouped into larger coalitions (not necessarily set in concrete) such as the Upper Spencer Gulf 'Common Purpose Group' to achieve particular objectives
6. They are readily "do-able" within the present constitution, without the complication of crossing State borders
7. Although this has not been researched in this work, I believe they are broadly compatible with the goals for natural resource management, allowing a 'Triple bottom line' approach to planning. Better still, they are compatible with Geoff Lawrence's 'Quadruple bottom line', incorporating the vital governance ingredient.

Having made the case for a regional solution, the Chapter then turns to the question of how to treat localism within the regions, and I have argued strongly for a guaranteed continued role for the local communities within each region as something more than Wards, but less than independent Councils. The details of such an arrangement are

beyond my scope here but there are plenty of models to draw on in comparable OECD countries. I have argued strongly for a policy within the regions that avoids excessive deliberate centralisation of functions within one or two large centres, but rather builds on the social capital invested in the local communities and encourages self-help efforts among them. I believe that local leadership and initiative should be encouraged wherever it manifests itself within the region, without seeking to select either victims for “euthanasia” or a minority of favourites for guaranteed new investment, thereby removing hope from the rest. I believe there is a great need for renewed research into the demographic, social and economic flows and linkages between regional capitals and subordinate communities within their regions to establish the best possible balance between core and periphery – the goal being overall sustainability at the regional level.

In putting regional planning into practice, then, I have argued that knowledge of the social organisation of space is vital. To take account of the areas and groupings that really mean something to those being planned for is surely a minimum courtesy that policy makers should extend to their fellow citizens, rather than simply imposing a set of regional structures upon them - as worked out by well-meaning experts from above using theories currently in vogue. In this chapter I have shown how the intricate, multi-level geography of social allegiance and interaction can be codified, simplified and built up hierarchically to produce a mutually exclusive set of community groupings that map and describe community areas at three different levels. I have pointed to a range of practical uses of such maps, but most of all their use to provide a set of statistical building blocks compatible with Census data and suitable for tracing change over time at the community level.