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## State of the Regions launched

A widening gap between the prosperity of Australia's regions, the need for strategic infrastructure investment and an uncertain outlook for youth employment in many regions are among the key findings of the 2014-15 State of the Regions Report, *Regional Development in a Globalised Economy*.

The Report, the 16th in a series, produced by National Economics for the Australian Local Government Association (ALGA), provides a longitudinal study into the prospects of Australia's regions and their development. It was launched today at ALGA's annual Regional Cooperation and Development Forum in Canberra.

This year's report highlights the trend of a widening gap between regions that have benefited from the mining boom and those that have not.

The report identifies that the national economy is now in transition, that we have entered into the post mining boom construction phase and, together with the impact of the high Australian dollar on many of Australia's manufacturing exporters, this requires growth in other areas of the economy to maintain Australian living standards. In the immediate term this is public and private investment in Infrastructure, and increased exporting activity.

The report's authors argue that the trend of regional disparity will continue unless there is a concerted injection of infrastructure investment to underpin increased national productivity and, by supporting business investment, generate export income.

The report says as the mining boom continues to slow the knowledge economy (where there is a focus on the growth and development of innovative, creative and entrepreneurial goods and services) is slowly re-emerging and will play an increasingly important role as the influence of the resource sector fades.

"Infrastructure investment will not only need to be about major projects like highways and airports, but investment in telecommunications and the built environment and associated activities that support the growth and development of the knowledge economy," said Dr Ian Manning from National Economics

"Investment in rural and regional development cannot be thought of in isolation, it needs all aspects to be considered in the equation, this means investment in a range of infrastructure, from roads, airports, to education and telecommunications," Dr Manning said.

ALGA President Mayor Felicity-ann Lewis said for regions to continue to grow and develop they will need a pool of educated, creative and entrepreneurial people to foster this growth.

Creating opportunities in all regions was highlighted as an important factor in helping address the issue of youth unemployment, where the report describes mixed fortunes for the nation's young job seekers. The report found that in all but a small number of comparatively prosperous inner-city metropolitan regions youth employment prospects are bleak. The report's authors found that that an increasing number of young people have found themselves in a void between education and employment, participating in neither.



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The report argues that the idea of relocating young people to regions where work is available needs to be re-thought as there are already many young people unemployed in these regions.

Mayor Lewis said all regions need to be smart about creating opportunities for their youth and pursue regionally appropriate educational, training and employment pathways that fully capitalise on the region's inherent strengths.

Mayor Lewis said the report reinforces the necessity for local government to be fully engaged in regional economic development, ensuring national and state policy initiatives are developed to work with communities and their local economies to adapt and change and build on strengths.

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**The Report can be accessed from the ALGA website: [www.alga.asn.au](http://www.alga.asn.au)**

**Please contact Zaman Khaliq-ul on 0406 488 073 for a password.**