

ECONOMIC DEVELOPMENT

Both State and Local Government have given economic development a higher profile in recent years and the topic is now of mutual interest to both sectors.

1. Background

The Local Government Association (LGA) issued two discussion papers in June, 2002 - "Making Economic Development Work – Local Leadership" and "Making Tourism Development Work – Local Leadership". The need to undertake consultation with Local Government on these papers led to the LGA inviting the Economic Development Board (EDB) to join in a round of regional consultations held around SA in February/March, 2003. These consultations assisted the LGA in finalising its submission to the EDB (attachment 1 & 2) and in the development of an *Economic Development Policy* which was adopted by the LGA at its October 2003 AGM (attachment 3).

The Forum received a briefing from the EDB prior to the *Economic Summit* held in April 2003. Subsequently the EDB adopted a final report and the State Government adopted all but one of the recommendations in the board's report (attachment 4). A key recommendation of the EDB report was the development of a State Strategic Plan which will be launched in April 2004.

The Minister for Local Government wrote to the President of the LGA (see attachment 5) in January 2004 seeking:

- the LGA's views on the EDB recommendations,
- support to discuss economic development and further opportunities for collaboration between councils and between State and Local Government
- at the Forum in February 2004.

2. Discussion

A comparison of the LGA Policy and the EDB recommendations shows very little conflict. There are a significant number of recommendations for which Local Government can add significant value where there is no mention of Local Government.

A preliminary analysis suggests EDB recommendations and their relevance to Local Government can be grouped in four general areas:

- Efficiency –
 - including recommendations 16 & 72 which relate to amalgamations/collaboration and performance measurement; and,
 - recommendations 14 & 15 regarding development planning.
- Services & support –
 - including recommendation 4 regarding the rationalisation of regional development boards; and,

- the potential for Local Government to support population and migration goals (recommendations 31, 31, 33 & 34);
- possibly also including opportunities to support recommendations which relate to education, employment and export;
- Strategic Planning, Co-ordination & Infrastructure –
 - Including recommendations 5, 6, 12, 13, 18, 22 & 69;
- Community Engagement –
 - including recommendations 1 & 2.

The LGA is currently documenting key Local Government approaches in relation to each of the EDB recommendations in the lead up to the Economic Summit II in April 2004.

There are a range of important connections occurring between the State and the LGA in relation to economic development. These include:

- liaison with the Department of Trade and Economic Development regarding joint arrangements for Business Enterprise Centres in Metropolitan Adelaide;
- involvement in the joint Commonwealth-State Working Group on Migration and liaison regarding the State's proposed population policy;
- liaison regarding opportunities to create linkages between the proposed State Strategic Plan and Council Strategic Management Plans;
- liaison regarding Local Government's role in Tourism involving a range of activities between the SATC, the LGA, Councils and other stakeholders;
- liaison with the Office of Regional Affairs and Regional Development SA regarding the proposed rationalisation of Regional Development Boards;

The LGA and the State Government are also working together in relation to linkages in strategic planning, infrastructure management and planning and development reforms.

It is important that, although the EDB recommendations have been endorsed in principle by the LGA that they are not misconstrued as presenting a strategic approach for Local Government. Equally the higher focus given by both State and Local Government provides the opportunity to clarify common issues and develop a more strategic approach.

3. Recommendations

That the Forum:

- 1. Note current economic development initiatives involving State and Local Government cooperation**
- 2. Request the Minister for Local Government and the President of the LGA to explore a way of co-coordinating a joint focus/program on economic development**