

REGIONS RISING CANBERRA // POLICY HACK

PLACE-BASED PROGRAMS

Policy Hack Question: What needs to change for place-based policies to be implemented in regional Australia?

BACKGROUND

The gaps between regions and metropolitan areas by many measures of service provision and socio-economic outcomes are persisting. Worse still, the smaller and more remote the community, the greater these gaps are.

These gaps persist not simply due to a lack of effort or money as there has been much of both. The reasons go to the heart of how we have sought to resolve problems and the incompatibility of those policy approaches to the challenges of regional Australia. Large macroeconomic reforms that began in the 1980s were guided by a way of thinking about service delivery as a marketplace. The thought was that distribution of these services could be more efficient if supply arrangements could achieve economies of scale.

This approach has driven the reform of service delivery in recent decades. The provision of services has been increasingly outsourced and large organisations (including not-for-profits), seeking economies of scale to maximise returns. This approach may work well in cities, but there is often little dividend in smaller, less populous places that have watched service delivery consolidate in larger and usually more distant towns and centres.

This is just one example of the way that previous policy thinking places little emphasis on 'place' as the context within which programs are implemented. Policies and programs are rolled out across the country with uniformity whether they are being implemented in a metropolitan centre or in a small regional town. Uniformity in delivery processes across Australia leaves no avenue for the consideration of local issues or actions. And it can be often used as a smokescreen for 'equity' (everyone is subject to the same program or policy guidelines) but actually it leads to anything but, frequently imposing unworkable requirements on regional providers.

Even where local 'voices' are said to be included in policy design and implementation, this involvement is likely to be overstated. Central government policy makers often over-estimate the degrees of freedom enjoyed by managers locally and frequently assume there has been a higher level of local input into the design of programs than has been the case.

Mechanisms and processes need to allow local input into the design and to guide program modifications to meet the needs of the community. Without this capacity, there is a sense that central government

policies and programs are ‘enacted’ upon regions. Regions can find it overwhelming to push for change as actions can require cooperation across rigid administrative silos that are difficult to navigate.

Enabling a place based approach to policy and program delivery requires major changes to the way government works. It requires rebalancing the primacy of economies of scale, and recognition of the value in regional communities of the economies of scope that knit services together. It also requires enough flexibility in program design, delivery and contracting to allow local variations – without undermining accountability and probity. The significance of these changes means that political will is the critical ingredient.

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