



**Government
of South Australia**

Part B Requirements and Specification

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1. INTRODUCTION

The Department of Treasury and Finance supports the South Australian Government's key economic, social and financial policy outcomes through the provision of advice and coordination of resource allocation for government programs. It also provides financial services to the Government and the community, covering asset and liability management, collection of state taxes, insurance and superannuation.

In the 2008-09 Mid-Year Budget Review, the South Australian Government announced a package of measures aimed at realising some of the value of the State's assets. One of these measures would be an investigation into options to sell the harvesting rights of ForestrySA (FSA).

The Market Projects Unit (MPU), within the Department of Treasury and Finance is responsible for coordinating this investigation.

As part of a Cabinet Submission to be submitted in early 2011, a Regional Impact Statement is to be completed to assist Government in making a decision regarding the sale of ForestrySA rotations.

2. REQUIREMENTS AND SPECIFICATION

The Regional Impact Statement process is to apply to any decision by any Government agency that, when implemented, will result in a significant change in the standard or level of services provided to an affected rural and regional community.

The Regional Impact Statement (RIS) policy is based on the principles of:

- community and stakeholder consultation for open, accountable and responsible decision-making;
- transparency of administration;
- reasonable equity in accessing government services and facilities;
- degree of impact being relative to the population and size of the service delivery; and
- the area concerned (viewed from the perspective of those whom it will affect).

2.1 The Regional Impact Statement must assess the proposed divestment's impact on regional South Australia including:

- 2.1.1 the direct impact on a region or regions (for example, where changes in the way services are provided affects the ability of people in a particular region to access those services);
- 2.1.2 the indirect impact on a region or regions (for example, where a reduction in services leads to fewer people coming into a regional town causing a reduction in retail business); and
- 2.1.3 assess any regional issues that result from the sale of harvesting rights of ForestrySA plantations.

2.2 The Regional Impact Statement must include:

- 2.2.1 a consultation undertaken in relation to regional issues;
- 2.2.2 the impact of proposals on regions and regional interests;
- 2.2.3 the full range of the costs and benefits of the proposals on the region and its community;
- 2.2.4 strategies for managing the identified impacts and issues; and

- 2.2.5 the impact of proposals on social inclusion and economic development within regions.
- 2.3 The consultation must include, but not be limited to, key stakeholders in the south east including local councils, timber industry representatives, key unions and chambers of commerce.
- 2.4 It is important to make an accurate assessment of the positive and negative economic implications of the proposed sale of harvesting rights to the region. The assessment will include:
 - 2.4.1 description of the current status;
 - 2.4.2 the implications for jobs and job creation;
 - 2.4.3 the implications if no action is taken (eg. begin with a base of 'do nothing');
 - 2.4.4 what are the medium to long-term implications of the proposal in 5, 10 or even 20 years;
 - 2.4.5 what are the implications for existing businesses in terms of maintenance and expansion;
 - 2.4.6 will there be any withdrawal of business, capital investment;
 - 2.4.7 will business and capital be attracted to the region;
 - 2.4.8 will population size/demographics be affected;
 - 2.4.9 is there any known impact on the average income per capita;
 - 2.4.10 is there any flow-on effect in any of these areas; and
 - 2.4.11 will the decision put financial pressure on other organisations, particularly, local government.
- 2.5 It is important to consider the specific positive and negative social implications of the proposed sale of harvesting rights. The assessment will include:
 - 2.5.1 a description of the current status;
 - 2.5.2 implications for access to education, health, justice or community;
 - 2.5.3 implication for services (eg. by town or region);
 - 2.5.4 particular social groups that may benefit or be disadvantaged (eg. indigenous, disabled, multicultural, etc);
 - 2.5.5 how will the potential change ultimately affect people's way of life;
 - 2.5.6 how will these changes be of benefit, as opposed to not making the change;
 - 2.5.7 what are the implications for recreation and leisure activities; and
 - 2.5.8 flow-on effect in these aspects.
- 2.6 It is important to present an accurate indication of the positive and negative environmental implications of the proposed sale of harvesting rights. The assessment will include:
 - 2.6.1 description of the current status;
 - 2.6.2 impact on key environmental factors – water supply and quality, air quality, soil, vegetation; and
 - 2.6.3 flow-on effect in these aspects.

The template for completing the Regional Impact Statement is included in Attachment A.

- 2.7 The Regional Impact Statement is expected to be provided electronically in either Microsoft Office® or Adobe Acrobat® format. All spreadsheets must be provided in Microsoft Excel 2003 and be in read-write format. In addition, twelve hard copies of the Regional Impact Statement will be required. The Regional Impact Statement will be a public document once completed as required under the Regional Impact Assessment Statement Policy of Government.

Further details regarding Regional Impact Statements can be found on
<http://www.southaustralia.biz/Regional-SA/Regional-Impact-Assessment.aspx>

3. TIMETABLE

A draft written report will be required to be submitted to the Principal at the end of 6 weeks into the contract and a final report to be submitted to the Principal at the end of 8 weeks into the contract.

ATTACHMENT A

**REGIONAL IMPACT
ASSESSMENT STATEMENT
PREPARATION TEMPLATE**

creating opportunity



Government of South Australia
Department of Planning
and Infrastructure

Department:

- 1. Title**
- 2. Issue**
- 3. Region(s)**
- 4. Stakeholders**
- 5. Consulted**
- 6. Consultation**
- 7. Summary of Impacts and Analysis**
 - 7.1. Economic Factors**
 - 7.2. Social Factors**
 - 7.3. Environmental Factors**
- 8. Solutions**
- 9. Coordination**
- 10. Preferred Option**