

Department of Transport and Regional Services

Evaluation of the Commonwealth Regional Assistance
Programme (RAP)

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Executive Summary

RAP commenced under a new set of guidelines in 1999. Since then, more than 1,200 projects have been funded by the Commonwealth at a cost approaching \$74 million. Allocated to non-profit organisation across metropolitan, regional and remote areas of Australia, funding from the Programme was directed towards generating employment by encouraging local community action to boost business growth and create sustainable jobs. RAP provided seed funding for innovative, quality projects of value to the community.

A RAP application for funding was a community based proposal linked to one or more of the following benefits - generating new jobs, improving the skills base, tackling disadvantage, encouraging business growth and providing support infrastructure. In their applications for funding, organisations were expected to demonstrate a clear path to improved job outcomes and/or an ongoing economic or other benefit.

A voluntary written survey was issued to 355 RAP funding recipients with projects scheduled for completion after April 2001. Results from the survey facilitated the collection of more reliable information on RAP's overall employment impacts than had been collected previously and helped to identify the relative importance of its various non-job benefits.

Based on the results of the survey, the Commonwealth's total RAP investment since 1999 is conservatively estimated to have created 4,177 full-time equivalent jobs during the period in which Programme funding was made available for projects and 5,342 full-time equivalent jobs in the longer term. The majority of these jobs were located outside funded organisations and spread across the broader community.

	Total Jobs (FTE)	Jobs <u>Inside</u> Funded Organisations (FTE)	Jobs <u>Outside</u> Funded Organisations (FTE)
During Programme Funding			
Maximum Upper Boundary	9,539	1,869	7,670
Adjusted Upper Boundary	6,808	1,325	5,483
Minimum Lower Boundary**	4,177	704	3,474
After Programme Funding			
Maximum Upper Boundary	12,170	1,787	10,382
Adjusted Upper Boundary	8,716	1,506	7,210
Minimum Lower Boundary**	5,342	663	4,679

* FTE = one full-time equivalent employment position.

** The preferred measure of employment effect.

Based on conservative estimates, Programme wide impacts equate to:

- 3.1 new jobs being created for every \$50,000 of RAP expenditure during the funding period or one new job for every \$16,206 of Programme outlays directed to project activity; and
- 3.9 new jobs being created for every \$50,000 of RAP expenditure after the funding period or one new job for every \$12,673 of Programme outlays directed to project activity.

	Total Jobs (FTE)*	Proportion of Jobs Created from Total Investment in Projects (%)	RAP Funding Required to Generate One Job (FTE)	Total Jobs Per \$50,000 of RAP Funding (FTE)	Jobs <u>Inside</u> Funded Organisations (FTE)	Jobs <u>Outside</u> Funded Organisations (FTE)	Jobs <u>Inside</u> Funded Organisations Per \$50,000 of RAP Funding (FTE)	Jobs <u>Outside</u> Funded Organisations Per \$50,000 of RAP Funding (FTE)
	(1)	(2)	(3)	(4)	(5)	(6)	(6)	(7)
During Programme Funding								
Maximum Boundary	475	100	\$7,096	7.1	93	382	1.4	5.7
Adjusted Upper Boundary	339	71	\$9,944	5.0	66	273	0.9	4.0
Minimum Boundary**	208	44	\$16,206	3.1	35	173	0.5	2.6
After Programme Funding								
Maximum Boundary	606	100	\$5,563	9.0	89	517	1.3	7.7
Adjusted Upper Boundary	434	72	\$7,767	6.4	75	359	1.1	5.3
Minimum Boundary**	266	44	\$12,673	3.9	33	233	0.5	3.5

* FTE = one full-time equivalent employment position.

** The preferred measure of employment effect.

In the all important period following Programme funding, the highest number of new jobs created were in regional areas, the agribusiness and tourism industries and projects involving business planning and feasibility studies, industry development and networking. In terms of return for a given level or unit of Programme funding, projects in regional areas, the tourism and community services industries and projects involving industry development and networking stood out above others.

Factors particularly important to enabling jobs to be created and maintained in the longer term were early attention to skills development, support from business and community networks and the leadership and personal commitment of project stakeholders. Factors particularly important to facilitating the dissemination of jobs across the community were local networks, the work of community and business groups, websites and promotional publications. Taken together, survey results pointed to networking as particularly important to regional growth and development.

Factors Supporting Job Sustainability	Factors Supporting Job Dissemination
Early attention to skills development	Local networks
Support from business and community networks	Community and business groups
Leadership and personal commitment of stakeholders	Websites and promotional publications
Investment attraction	Conferences and summits
Confidence building	Local media

The survey revealed that community capacity building figured prominently in the non-job benefits claimed by RAP funding recipients. The individual elements of capacity which ranked highest among survey respondents were developing local networks and knowledge building. Of the remaining types of non-job benefit, industrial diversity, social cohesion and infrastructure provision ranked highly.

However, survey and interview evidence revealed that the four key components of community capacity building - networking, leadership, knowledge building and skills development - all supported each other. Leadership could be a driving force behind networking and knowledge building, and skills enhancement often provided the base from which networks were established. Networks provided much of the initial stimulus for knowledge building and skills development - from which new job opportunities emerged.

Through the survey and a series of more than 45 face-to-face interviews with recent Programme participants and other stakeholders, several factors emerge as offering the potential for an improvement in Programme performance or as suggestions for future programme design. These include:

- a clearer enunciation of the objectives of the Programme than were contained in official Programme guidelines, the types of outcomes expected from the Programme and the criteria to which applicants for funding must adhere;
- changes to the existing system for monitoring funded projects to enable the timely production of more informative summary statistics and a consistent categorisation of projects by geographic area, industry category and activity class; and
- further consideration to how the knowledge and experience gained by Programme participants might be shared with others including future applicants for funding..