

**GOLDFIELDS ESPERANCE**  
Area Consultative Committee Inc

Mr Alistair Sands  
Committee Secretary  
Senate Finance and Public Administration Committee  
Department of the Senate  
Parliament House  
Canberra ACT 2600

Dear Mr Sands,

**RE: SUBMISSION TO THE INQUIRY INTO THE REGIONAL PARTNERSHIPS PROGRAM**

We apologise for the lateness of this submission, however it is based on information that has come to hand since the inquiry commenced.

In regard to the Terms of Reference of the inquiry this submission relates to Item 1(e) which states:

(1) The administration of the Regional Partnerships program and the Sustainable Regions program, with particular reference to the process by which projects are proposed, considered and approved for funding, including:

(e) the criteria used to take the decision to fund projects.

Recent advice received from the Department of Transport and Regional Services and the Parliamentary Secretary to the Minister for Transport and Regional Services, the Hon. John Cobb MP is that priority will be given to Regional Partnerships projects having employment based outcomes.



AN AUSTRALIAN GOVERNMENT INITIATIVE

The Goldfields Esperance Area Consultative Committee Inc (GEACC) has recently discussed this criteria at length and reached a consensus that such outcomes are of little relevance to the region's economic development.

As at December 2004 the unemployment rate for Western Australia was 5.0%, compared to 6.0% in December 2003. For each of the Statistical Local Areas within the regions the unemployment rates at December 2004 were:

Ngaanyatjarraku	2.7%	(2.7% in December 2003)
Laverton	3.9%	(4.7% in December 2003)
Leonora	3.0%	(1.8% in December 2003)
Menzies	3.6%	(5.8% in December 2003)
Kalgoorlie-Boulder	3.6%	(3.6% in December 2003)
Coolgardie	2.9%	(3.3% in December 2003)
Dundas	4.6%	(5.9% in December 2003)
Esperance	4.8%	(4.7% in December 2003)
Ravensthorpe	2.7%	(2.4% in December 2003)
Average	3.1%	(3.8% in December 2003)

As you are aware any unemployment rate less than 5% relates, in the opinion of a number of respected economic practitioners and theorists, to full employment.

We would also submit that the Goldfields Esperance region is experiencing severe difficulty in filling job vacancies at every skill level due to a variety of factors, the major one being the propensity of fly in/fly out mining practices which reduce the necessity for workers in the region to reside there. To a lesser degree competition for skilled labour from other regions has also resulted in the declining resident population base.

These circumstances also occur in other regions, most notably the Pilbara of WA

Recent statistics released from the Australian Bureau of Statistics (ABS) show that in Western Australia two of the top five Local Government Areas (LGAs) with the largest population decline over the year 2003-2004 are Coolgardie (-6.8%) and Kalgoorlie-Boulder (0.7%). Additionally Coolgardie has had the fastest decline in WA in the past year.

The 2001 ABS Census showed that of the nine LGAs in the Goldfields Esperance region, six experienced a decline in population ranging from 9.3% (Dundas) to 0.5% (Laverton). The overall average decline across LGAs in the region was 1.4%.

In order to alleviate this decline in population it is necessary for regional development efforts to focus on attracting new and retaining existing residents, particularly young families, to the region. These people, when considering making the region their home, will inevitably evaluate the level of services and infrastructure available to them.

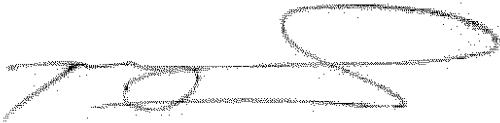
Any Regional Partnerships projects in the Goldfields Esperance region having substantial employment outcomes are destined to fail as the region simply does not have the capacity within the local labour market to fill those vacancies created and any proponent would have to compete directly with the terms and conditions of employment offered by the mining industry.

Although we at GEACC are of the belief that regional development is not always about "backing winners" we do have some concerns that the Australian Government, through Regional Partnerships, may attract criticism in the future should funded projects fail to achieve their stated employment outcomes due to local circumstances.

GEACC recommends that to appreciate the local circumstances in greater detail it would be prudent for the Committee to visit Kalgoorlie-Boulder, Coolgardie and Kambalda to hear from community and business leaders regarding the issues raised in this submission.

If you have any queries regarding this information provided in this submission please contact myself at [ron@kalaire.com.au](mailto:ron@kalaire.com.au) or the GEACC Executive Officer, John Lambrecht at [john.lambrecht@geacc.com.au](mailto:john.lambrecht@geacc.com.au) or (08)9091 6051.

Yours sincerely



Ron Yuryevich AM  
Chairman

April 22, 2005.

