SOUTH AUSTRALIAN

CENTRE FOR ECONOMIC STUDIES

ADELAIDE & FLINDERS UNIVERSITIES

Regional Development Australia Limestone Coast

Overview

Geography

- RDA Limestone Coast covers an area of 21,330 square kilometres or 2.2 per cent of the State's land mass. The area designated as agricultural land is 82 per cent of the region.

Population

- As at 30th June 2010, the region had a population of 66,724 persons or 4.1 per cent of the State's population. The Indigenous population was 1.2 per cent (State 1.6 per cent).

Economy and Labour force

- The region contributed $2,681 million to the State economy in 2006/07 or 3.9 per cent of gross state product.
- The unemployment rate is 0.5 per cent below the State average and labour force participation rate is 9.4 per cent above the State average.
- Agriculture, forestry and fishing, manufacturing and retail sectors are the major employing sectors and contributors to gross value added, as well as building and construction.
- Participation is secondary school education is close to the state average and for VET courses, well above the State average per 1,000 persons.
- NAPLAN results for years 3 and 7 approximate the State average or better.

Opportunities for growth

- The region is an agricultural, forestry and fishing "food bowl", with an international reputation to match, including for wine, dairy products and forestry products.
- Tourism is also a significant industry because of the coastal location, woodlands and national parks.
- Water is less a constraint on agricultural output than in other regions of the State; energy production through geothermal and wind farms is contributing to a diversification of the economy and new employment opportunities.
- The general climate, rainfall and greater water security position the region for growth and strengthen its "food bowl" reputation, which is critical to establishing an international reputation as a guaranteed supplier.
- The regional economy is far more diversified than other regions of the State, a fact that needs to be highlighted to strengthen the "supply capability and reputation" of the region.

Barriers to future growth

- Building workforce skills that are transferable or mobile between industries will help to sustain a high labour force participation rate.
- The region has continued to gradually adjust to the impact of globalisation, higher trade volumes (and hence competitiveness) but has lost some manufacturing capacity. The challenge, because the region has the potential for world class intra-industry value chains, is how to build a high wage, high productivity, internationally exporting, intra-industry and industry-to-industry set of linkages.

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Indicators

Geography and Population

	RDA Limestone Coast	South Australia
Geography		
Land area - square kilometres[1]	21,330	985,292
Land area as a percentage of the state - per cent	2.2	100
Area of agricultural land (2006) - hectares '000	1,745	55,408
Demographics		
Total population (2010) - all persons	66,724	1,640,638
Males (2010) - all males	33,894	810,264
Females (2010) - all females	32,830	830,374
Change in population (2001-2010) - per cent change	6.6	9.0
Change in population (2001-2005) - per cent change	2.6	2.8
Change in population (2005-2010) - per cent change	3.9	6.0
Population as a percentage of state population (2010) - per cent	4.1	100.0
Population density (2010) - persons/square kilometre	3.13	1.67
Birth rate (2010) - babies born per 1,000 people	12.2	12.2
Death rate (2010) - deaths per 1,000 people	7.0	7.9
Population projections (Dept of Planning and Local Government)		
2016	68,860	1,770,644
2021	70,565	1,856,435
2026	72,018	1,935,161
Projected change in population from 2011 to 2026 - per cent	7.7	16.1
CAGR for region, 2011-2026	0.5	1.0
Age profile (2010)		
0-14 years	20.0	17.8
15-24 years	12.3	13.6
25-34 years	12.5	13.0
35-44 years	13.9	13.6
45-54 years	14.6	14.0
55-64 years	12.2	12.3
65-74 years	7.7	8.0
75-84 years	4.9	5.3
85 years and over	1.8	2.3
Indigenous population (2006) - all persons	780	24,823
Indigenous population as a percentage of total population (2006) - per cent	1.2	1.6

Note: [1] RDA Limestone Coast do not comprise any unincorporated areas.

Economy 2006/07

	Gross value[1] added ($m)		Gross value added - per cent of total gross regional product		Employment by industry - per cent of total employment	
	RDA LC	South Australia	RDA LC	South Australia	RDA LC	South Australia
Agriculture, forestry and fishing	521	2,603	19.4	3.8	20.9	4.9
Mining	13	2,224	0.5	3.3	0.2	0.9
Manufacturing	490	8,815	18.3	12.9	16.7	13.4
Electricity, gas and water	38	1,884	1.4	2.8	0.4	0.9
Building and construction	180	4,432	6.7	6.5	6.8	6.6
Wholesale trade	116	2,765	4.3	4.0	4.2	4.4
Retail trade	161	3,829	6.0	5.6	14.5	14.9
Accommodation, cafes and restaurants	60	1,476	2.2	2.2	4.7	4.4
Transport and storage	126	3,270	4.7	4.8	4.1	3.9
Communication services	23	1,467	0.9	2.1	0.6	1.3
Finance and insurance	66	3,993	2.5	5.8	1.6	3.9
Ownership of dwellings	216	6,074	8.1	8.9	0.0	0.0
Property and business services	128	6,533	4.8	9.6	4.8	9.3
Public administration and defence	43	2,417	1.6	3.5	2.6	5.4
Education	104	3,144	3.9	4.6	5.9	7.6
Health and community services	119	4,974	4.4	7.3	8.2	13.1
Cultural and recreational services	20	1,039	0.7	1.5	0.9	1.8
Personal services	38	1,547	1.4	2.3	2.9	3.9
Total[2]	**2,681**	**68,327**	**100.0**	**100.0**	**100.0**	**100.0**

Note: 1 The sum of gross value added across all industries plus taxes less subsidies on products equals gross regional/state product at purchasers prices. Gross value added for each region has been estimated by EconSearch using input-output (I-O) models. For additional information on gross value added and definitions of key terms, see ABS, Australian National Accounts, Concepts, Sources and Methods, 2000, Cat. No. 5216.0.

2 Total does not include net taxes (i.e. taxes less subsidies on products and production) paid by households and other components of final demand. Therefore totals do not sum to 100 per cent.

Supportive Statistics

	RDA Limestone Coast	South Australia
Trade[1]		
Exports (2006/07) - $ billions	2.2	27.4
Imports, (2006/07) - $ billions	2.2	30.8
Labour force		
Labour force (June 2011)	37,762	861,537
Total employed (June 2011)	35,875	814,507
Total unemployed (June 2011)	1,887	47,030
Participation rate (2009)	72.5	63.1
Unemployment rate (June 2011) - per cent	5.0	5.5
Number of job service/disability employment service providers	22	450
Education		
Full-time participation in secondary school education at age 16 (2006) - per cent	74.6	78.4
Participation in VET courses (2009) - per 1,000 persons	105.7	73.5

Supportive Statistics (continued)

	RDA Limestone Coast	South Australia
NAPLAN results[2] (2011) – average score		
Year 3		
Reading	408	402
Spelling	393	392
Numeracy	381	379
Year 5		
Reading	470	478
Spelling	458	474
Numeracy	460	471
Year 7		
Reading	529	534
Spelling	516	533
Numeracy	534	535
Health (Selected LGAs)		
Low birth weight babies (2006 to 2008) - as a percentage of total births	6.7	6.8
Mothers who reported smoking during pregnancy (2006 to 2008) - per cent	20.7	16.7
Children fully immunised at 12 to less than 15 months of age (2008) - per cent	94.3	91.8
Obese persons 18 years and over[3] (2007-08) – per cent	18.4	17.4
Overweight (not obese) persons 18 years and over[3] (2007-08) – per cent	29.7	29.4
Housing characteristics		
Median house price (September quarter 2011) – Mount Gambier - $	218,000	360,000
Dwelling fully owned (2006) – per cent	34.7	33.7
Dwelling being purchased (2006) – per cent	33.1	33.5
Dwelling being rented (2006) – per cent	25.5	25.6
Rent assistance from Centrelink (March quarter 2011) - per cent of population	5.8	6.5
Average residential valuation (2010) - $	212,074	344,446
Average rates per residential property (2010) - $	933	1,065
Income		
Average wage and salary income (2009) - $	37,203	41,896
Average own unincorporated business income (2009) - $	17,532	19,659
Average investment income[4] (2009) - $	7,595	7,651
Average superannuation and annuity income (2009) - $	19,885	24,793
Income support (Selected LGAs)		
Age pension recipients (2009) - per cent	73.0	77.5
Disability support recipients (2009) - per cent	5.7	7.1
Single parent payment recipients (2009) - per cent	6.2	5.8
Unemployment benefit recipients (2009) - per cent	4.4	4.5
Long-term unemployment benefit recipients (2009) - per cent	3.3	3.2
Youth Unemployment benefit recipients (2009) - per cent	6.9	6.1
Low income and welfare dependant families with children (2009) - per cent	9.5	9.5
Children in low income families (2009) - per cent	20.4	22.0
Health care card holders (2009) - per cent	8.2	8.8
Pensioner concession card holders (2009) - per cent	20.9	23.6
Total Centrelink card holders (2009) - per cent	23.7	26.8

Supportive Statistics (continued)

	RDA Limestone Coast	South Australia
Tourism[5]		
Day visitors (2011)		
Number of domestic day trips – ('000)	583	10,472
Total expenditure by day trippers – $m	65	944
Average expenditure by day trippers – $	111	90
Number of overnight visitors (2011)		
Intrastate – ('000)	282	3,150
Interstate – ('000)	197	2,167
Domestic – ('000)	479	5,315
International – ('000)	44	530
Total – ('000)	523	5,845
Number of nights stayed (2011)		
Intrastate – ('000)	806	9,473
Interstate – ('000)	647	8,669
Domestic – ('000)	1,453	18,142
International – ('000)	152	8,454
Total – ('000)	1,605	26,596
Expenditure by overnight tourists		
Total domestic overnight expenditure (2011) - $m	165	2,922
Average expenditure by domestic overnight visitor (2011) - $	344	602
Characteristics of tourist establishments[6] (2011)		
Establishments (no.)	37	266
Rooms (no.)	1,086	12,652
Bed spaces (no.)	3,050	34,583
Persons employed (no.)	381	7,138
Occupancy rate (per cent)	44.5	62.4
Environmental		
Greenhouse gas emissions (2005/06) - tonnes per person[7]	-0.7	20.0
Airports		
Passengers per annum (2010/11)	92,261	7,756,574
CAGR of passenger numbers (2000/01 – 2010/11)	1.7	5.1
Gambling		
No. of electronic gaming machines (2009/10)	727	12,684
NGR (2009/10) - $/adult	538	571
Taxes (2009/10) - $/adult	173	222
No. of EGM's per 1,000 adults (2009/10)	14.4	9.9

Note:
1. The value of exports and imports at the regional level includes intrastate, interstate and international trade.
2. NAPLAN scores for Limestone Coast are based on a selection of DECS primary schools in Mount Gambier, Bordertown, Naracoorte, Robe, Millicent, Keith and Kingston. NAPLAN results are reported using a common scale ranging from 0 to 1000 for years 3, 5, 7 and 9, the scale is divided into ten bands ranging from band one (lowest achievement) to band 10 (highest achievement) as students progress to higher year levels the national minimum standard band level increases reflecting the greater complexity of skills assessed. For more information on interpreting NAPLAN results see www.naplan.edu.au
3. Estimates of obese and overweight persons by LGA are based on synthetic predictions using 2001 NHS data.
4. Investment income includes: interest from financial institutions, net rent and dividends or distributions (including imputation credits) from an Australian company, corporate unit trust or public trading trust and distributions from trusts.
5. Tourism data on day visits, overnight visits, number of nights stayed, expenditure and characteristics of establishments is based on regional boundaries according to the South Australian Tourism Commission (SATC) and these differ slightly from Regional Development Australia boundaries (see regional and state profiles at http://www.tourism.sa.gov.au for maps of regions according to the SATC).
6. Accommodation includes hotels, motels and guest houses and serviced apartments with 5 or more rooms or units; holiday flats, units and houses of letting entities with 15 or more rooms or units; caravan parks with 40 or more powered sites and visitor hostels with 25 or more bed spaces. The breakdown of tourist establishments by type of accommodation e.g. hotels, motels, guest houses, bed and breakfast etc. is not available.
7. Greenhouse gas emissions include agricultural sinks and forestry sinks which remove greenhouse gases, such that net greenhouse gas emissions per person for the Limestone Coast are negative.

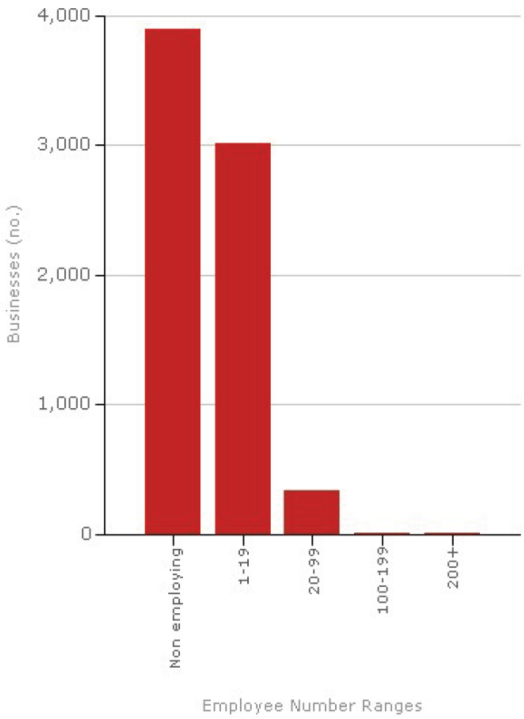
Summary graphs – businesses and employment by occupation

Figures 1 through 4 show data on the number of businesses by industry sector, number of businesses by employee ranges, number of businesses by turnover range and top five occupations by persons employed relative to South Australia.

Figure 1: Number of businesses by industry – RDA Limestone Coast, 2006/07

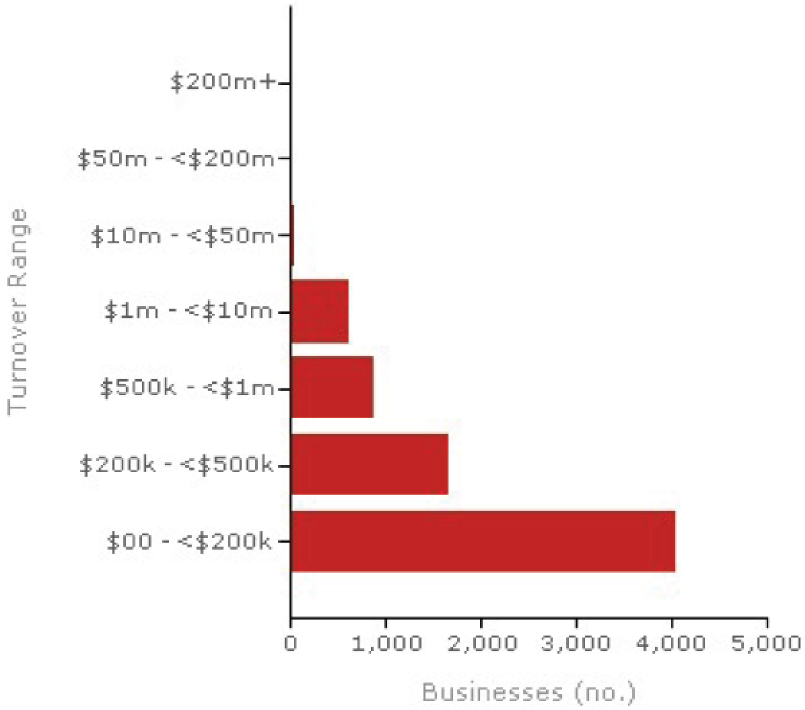
Note: Adheres to the Australia New Zealand Standard Industry Classification (ANZSIC) 2006, ABS Cat. No. 1292.0. Businesses can operate in more than one state/territory. This data uses the main location determined for the business. For more information on the data source, please refer to the explanatory notes accompanying the Limestone Coast EasyData profile, at the Department of Manufacturing, Innovation, Trade, Resources and Energy regarding number of businesses by industry (boundaries for the Limestone Coast State government region correspond with Regional Development Australia Limestone Coast boundaries).
Source: EasyData (ABS, Cat No. 8165.0, Counts of Australian businesses, including entries and exits, Jun 2003 to Jun 2007).

Figure 2: Number of businesses by employee ranges – RDA Limestone Coast, 2006/07



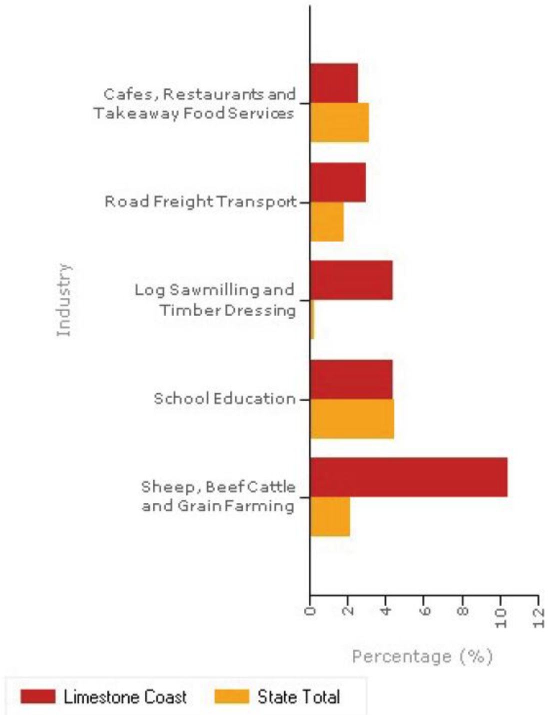
Note: Businesses can operate in more than one state/territory. This data uses the main location determined for the business. For more information on the data source, please refer to the explanatory notes accompanying the Limestone Coast EasyData profile, at the Department of Manufacturing, Innovation, Trade, Resources and Energy regarding number of businesses by employee ranges (boundaries for the Limestone Coast State government region correspond with Regional Development Australia Limestone Coast boundaries).
Source: EasyData (ABS, Cat. No. 8165.0, Counts of Australian Businesses, including entries and exits, Jun 2003 to Jun 2007).

Figure 3: Number of businesses by turnover range – RDA Limestone Coast, 2006/07



Note: Businesses can operate in more than one state/territory. This data uses the main location determined for the business. For more information on the data source, please refer to the explanatory notes accompanying the Limestone Coast EasyData profile, at the Department of Manufacturing, Innovation, Trade, Resources and Energy regarding the number of businesses by turnover range (boundaries for the Limestone Coast State government region correspond with Regional Development Australia Limestone Coast boundaries).
Source: EasyData (ABS, Cat No. 8165.0, Counts of Australian Businesses, including entries and exits, Jun 2003 to Jun 2007).

Figure 4: Persons employed by Occupation (top 5) – RDA Limestone Coast, 2006/07



Note: Adheres to the Australia New Zealand Standard Classification of Occupation (ANZSCO) 2006, ABS Cat. No. 1220.0 Presented at the Sub-Major Group (or 2-digit) level. Applicable to employed persons only.
Source: EasyData (ABS, Census of Population and Housing, 2006).

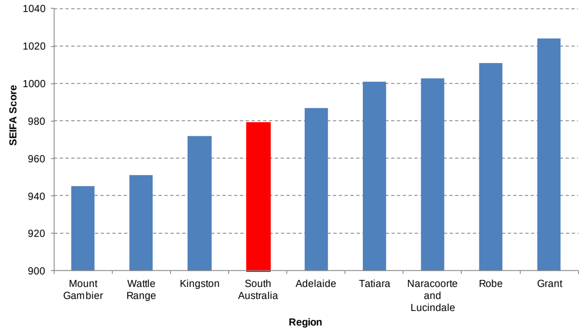
Indicators for local government areas

Figures 5 through 16 show selected indicators for Regional Development Australia Limestone Coast (RDALC) local government areas taken from the Public Health Information Development Unit (PHIDU) InstantAtlas. For comparison South Australia and metropolitan Adelaide are included in each graph. Brief commentary is provided of key trends or stand out characteristics in the data.

The district councils of Grant and Robe are ranked highest in terms of Socio-Economic Index for Areas (SEIFA) scoring 1,024 and 1,011 respectively. The provincial city of Mount Gambier is ranked lowest with a SEIFA score of 945 which is below the South Australian average (979) and metropolitan Adelaide average (987) (refer to Figure 5).

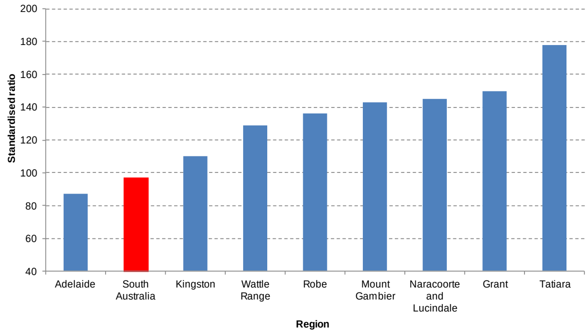
Based on a standardised ratio participation in VET is higher across all local government areas in RDALC compared with the South Australian standardised ratio (97) and metropolitan Adelaide (87). Tatiara had the highest participation in VET, a standardised ratio of 178 followed by Grant (150) and Naracoorte and Lucindale (145) (refer to Figure 6).

Figure 5: Index of relative socio-economic disadvantage, 2006



Source: PHIDU InstantAtlas.

Figure 6: Participation in VET Standardised ratio, 2009



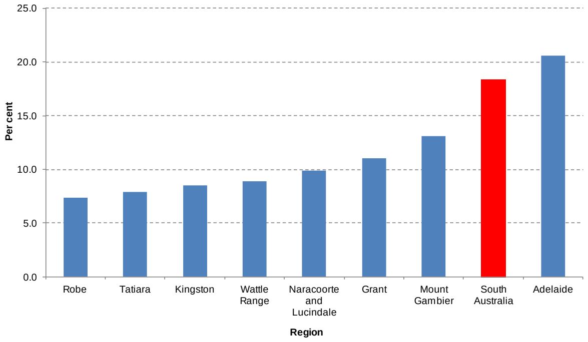
Source: PHIDU InstantAtlas.

Professionals comprise a smaller proportion of the workforce in LGAs of RDALC compared with South Australia and metropolitan Adelaide where they comprise 18.4 per cent and 20.6 per cent respectively, conversely workers identifying themselves as labourers are more common in the LGAs relative to South Australia and metropolitan Adelaide; (refer to Figures 7 and 8).

Agriculture, forestry and fishing are the most significant employer in RDALC LGAs it accounts for 39.6 per cent of employment in Kingston followed by 31.3 per cent in Tatiara. In the provincial city of Mount Gambier employment in agriculture, forestry and fishing is 5.4 per cent where sectors such as manufacturing, retail, health and education act as major employers (refer to Figure 9).

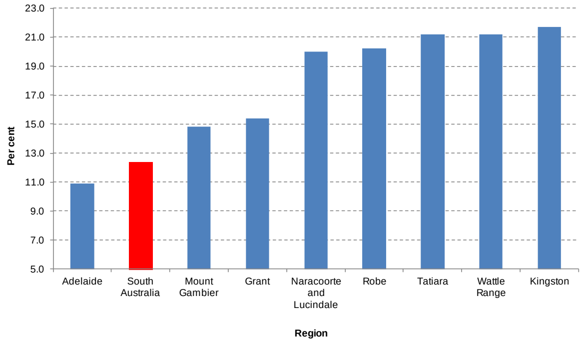
Mount Gambier has the highest proportion of low income families with children (12.3 per cent) receiving income support, compared with 9.5 per cent across South Australia. All other LGAs in RDALC have a lower proportion of families with children on income support than the South Australian average, (refer to Figure 10).

Figure 7: Occupation – Professionals
Per cent of workforce employed as professionals by local government area, 2006



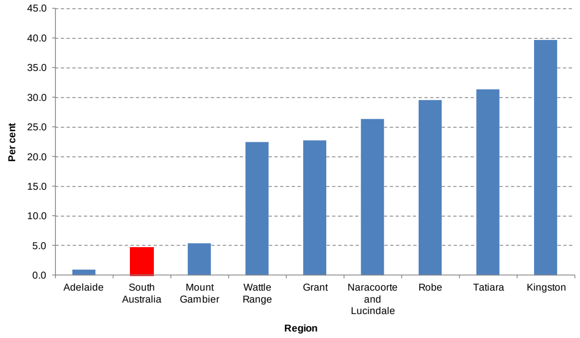
Source: PHIDU InstantAtlas.

Figure 8: Occupation – Labourers
Per cent of workforce employed as labourers by local government area, 2006



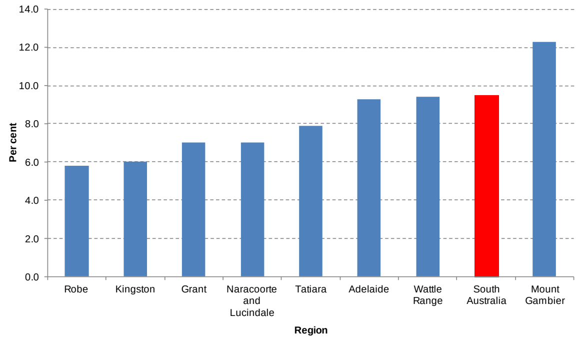
Source: PHIDU InstantAtlas.

Figure 9: Industry – Agriculture, forestry and fishing
Per cent of workforce employed in agriculture, forestry and fishing, 2006



Source: PHIDU InstantAtlas.

Figure 10: Income support recipients
Per cent of welfare dependent and other low income families with children, 2009



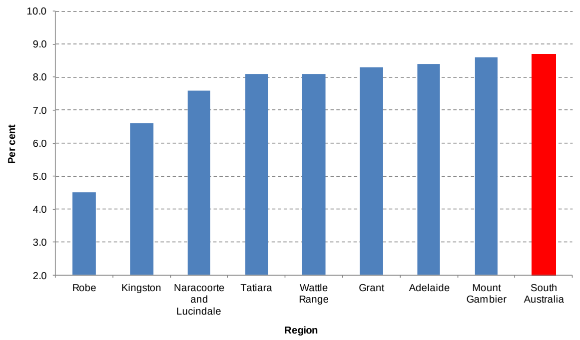
Source: PHIDU InstantAtlas.

Residents claiming Centrelink benefits such as, *inter alia,* the aged pension and allowances are automatically entitled to a health care card. The proportion of people holding a health care card is below the South Australian average (8.7 per cent) and metropolitan Adelaide (8.4 per cent) in all LGAs of RDALC except Mount Gambier (8.6 per cent) (refer to Figure 11).

Unskilled and semi-skilled workers form a higher proportion of the workforce across all LGAs and unincorporated areas in RDALC relative to South Australia (18.2 per cent) and Metropolitan Adelaide (16.4 per cent), (refer to Figure 12).

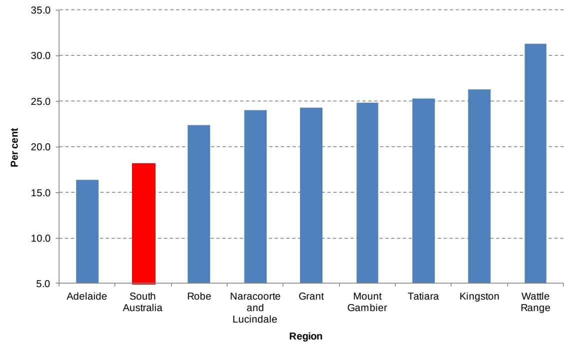
Participation in full-time secondary school education at age 16 is below but close to the South Australian average (78.3 per cent) and metropolitan Adelaide (79.6 per cent) for all LGAs in RDALC except Naracoorte Lucindale where participation is 80.3 per cent, (refer to Figure 14).

Figure 11: Health care card holders
Per cent, 2009



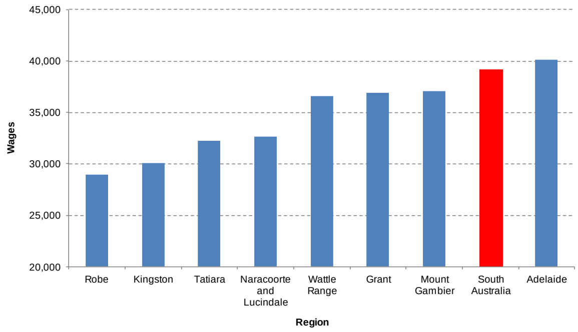
Source: PHIDU InstantAtlas.

Figure 12: Unskilled and semi-skilled workers
Per cent, 2006



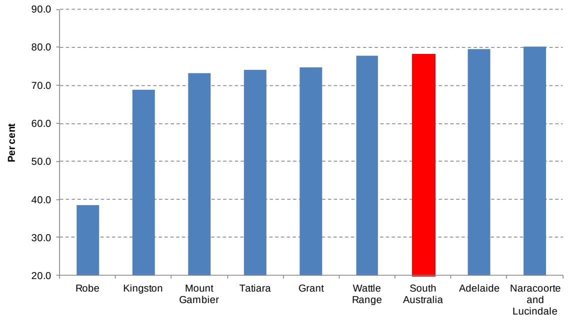
Source: PHIDU InstantAtlas.

Figure 13: Wages per capita
Dollars, 2005/06



Source: PHIDU InstantAtlas.

Figure 14: Education
Full-time participation in secondary school education at age 16, Per cent, 2006

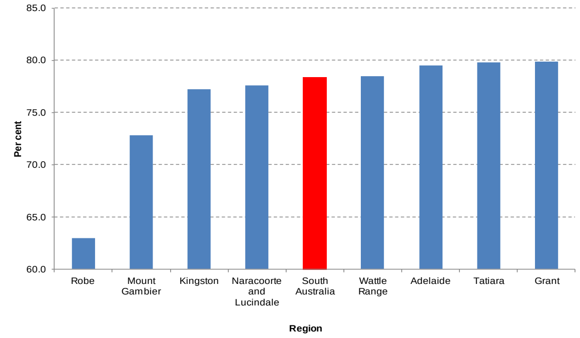


Source: PHIDU InstantAtlas.

Persons engaged in learning or earning is similar to the South Australian average (78.4 per cent) and metropolitan Adelaide (79.5 per cent) across all LGAs, except in Robe (63.0 per cent) and Mount Gambier (72.8 per cent), (refer to Figure 15).

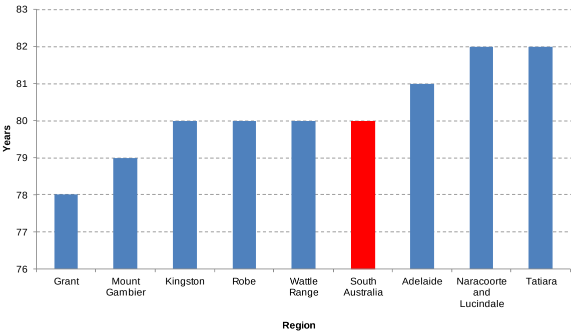
Median age at death for LGAs in RDALC is similar to South Australia and Metropolitan Adelaide, (refer to Figure 16).

Figure 15: Learning or earning
Per cent of 15 to 19 year olds either working or studying, 2006



Source: PHIDU InstantAtlas.

Figure 16: Median age at death, 2003 to 2007



Source: PHIDU InstantAtlas.

About the Limestone Coast regional plan

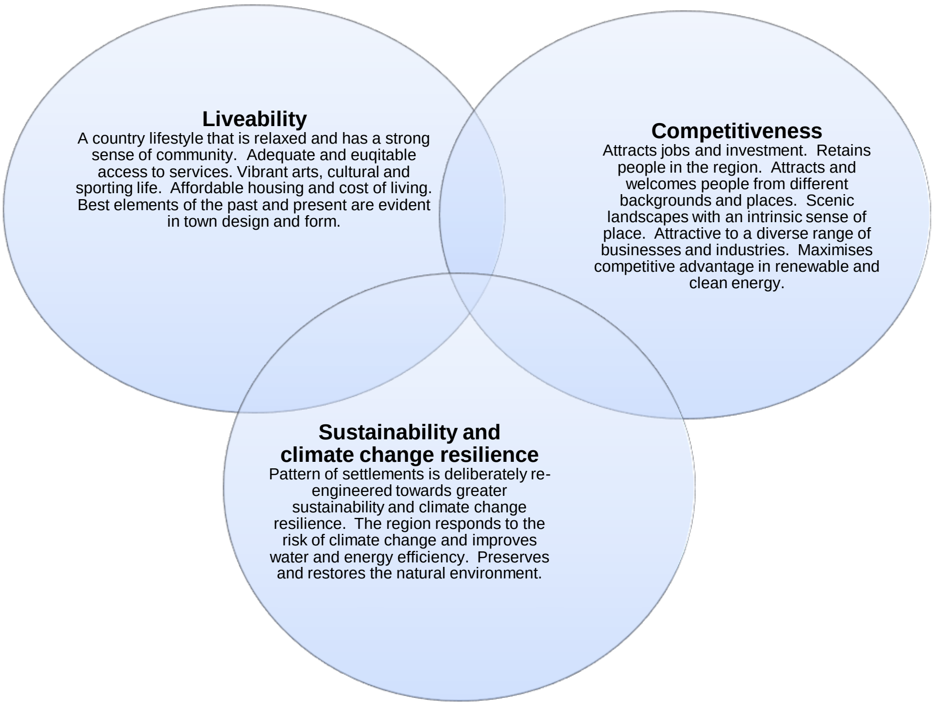
The Limestone Coast regional plan sets out the objectives of the region, helping state and local governments to plan for the provision of essential services and infrastructure and guide sustainable economic development and land use in the region.

The plan supports the achievement of a range of economic, social and environmental goals and is closely aligned to South Australia's State Strategic Plan, such that achieving regional goals and targets supports the achievement of state-wide objectives. In addition regional plans tie into state-wide plans for infrastructure, housing, water, natural resources management, waste management and South Australia's economic statement.

The plan has three overlapping objectives representing sustainable community development; these objectives are classified as; social, economic or environmental,

- Social - to maintain and improve liveability;
- Economic - to increase competitiveness; and
- Environmental - to drive sustainability and resilience to climate change.

Figure 17: Objectives of the regional volumes of the South Australian planning strategy



Source: Limestone Coast Regional Plan, Volume of the South Australian Planning Strategy, August 2011.

Region at a glance[1]

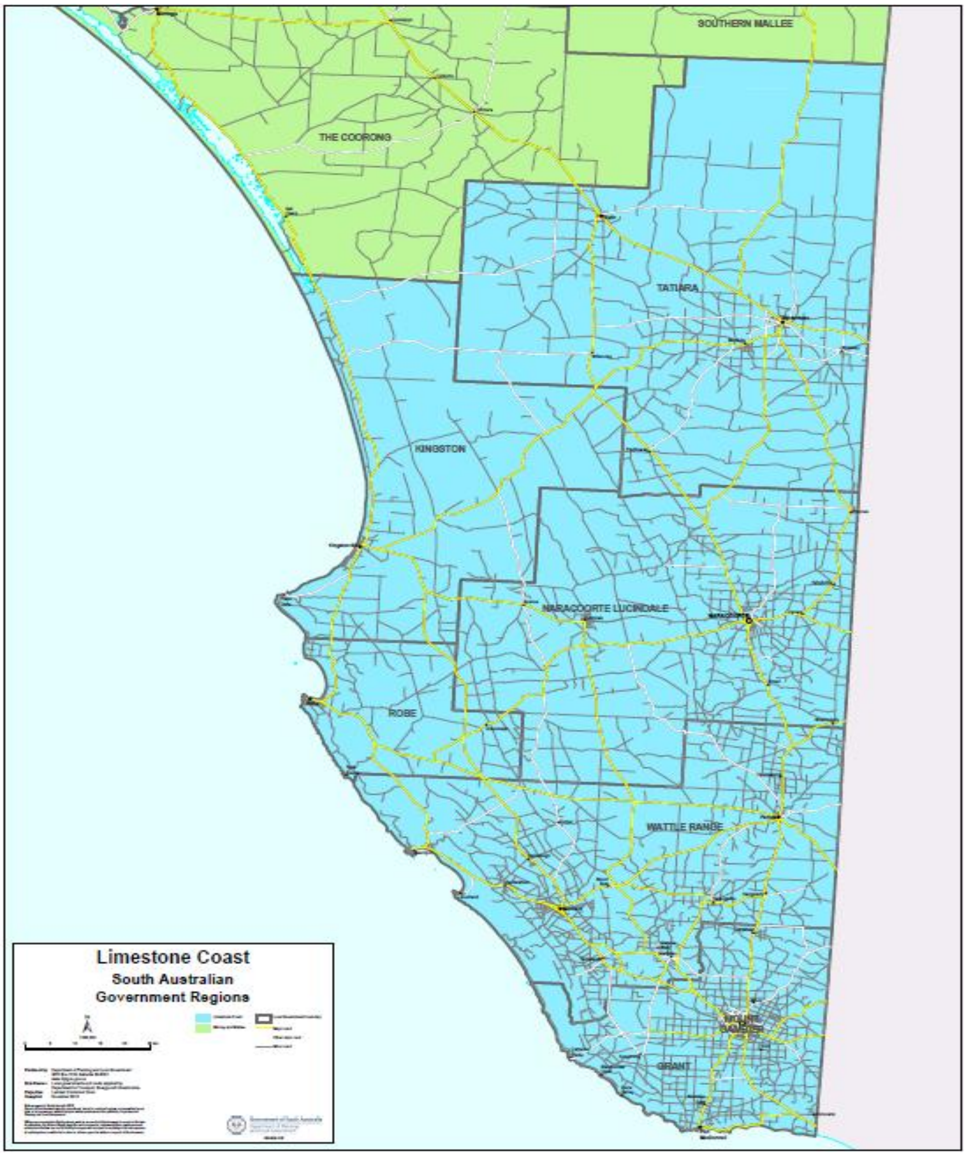
The RDALC region covers an area of 21,330 square kilometres comprising seven local government areas.

Local government areas:

- District Council of Grant
- Kingston District Council
- City of Mount Gambier
- Naracoorte Lucindale Council
- District Council of Robe
- Tatiara District Council
- Wattle Range Council

[1] Descriptions and key issues relating to the Limestone Coast region are sourced from the Limestone Coast Regional Roadmap 2010-2015 (September 2010) and the Limestone Coast Region Plan, August 2011.

Figure 18: Map of Regional Development Australia Limestone Coast



Source: Department of Planning and Local Government of South Australia.

Facts about the Limestone Coast region

- Has an estimated resident population of 66,724 persons (ABS, 2010, preliminary estimate).
- Economic activity is based on agriculture i.e. horticulture, viticulture, dairying and forestry and fishing, tourism is an emerging industry drawing visitors to the regions national parks, conservation parks, woodlands and coastal regions.
- Has an abundant and reliable supply of fresh water especially in the Lower South East.
- Contains the major regional centre of Mount Gambier with an estimated resident population of 26,128 persons (ABS, 2010, preliminary estimate).
- Contains several smaller service centres of Naracoorte, Millicent, Kingston and Bordertown servicing the rural surrounds.

Box 1: Additional information about the Limestone Coast

- More than 35 per cent of employment is concentrated in agriculture, forestry and fishing and manufacturing.
- The typical worker is male and aged over 45 years a fact which is likely to contribute to skills shortages as baby boomers retire.
- Structural and cyclical challenges in the agricultural and manufacturing sectors include an oversupply of wine grapes, milk price reductions, high Australian dollar, reduced timber product sales, changes in land use, decline in private investment and closure of the Kimberly Clark Australia (KCA) Pulp Mill at Millicent.
- Closure of KCA's Pulp Mill will result in the direct loss of 170 permanent jobs and threaten the jobs of up to 1,500 workers employed directly and indirectly by the firm; lost wages will have a noticeable impact on the prosperity of Millicent and surrounding regional towns[2].
- Limestone Coast Annual report notes 14.5 per cent of participants at the region's Career Development Centre are retrenched workers from the KCA Pulp Mill.
- In response to the closure the federal government has introduced the South East South Australia Innovation and Investment Fund (SESAIIF) program, a $12 million merits based grants program for innovative job creation projects to strengthen the South East's economy and offset the loss of jobs in the region.
- SESAIIF will create sustainable high quality skilled jobs by adding new and additional business capacity to the region, especially in the manufacturing services sector.
- Unemployment across the region is consistently below the state average but varies within the region.
- The Upper South East typically has lower unemployment than the Lower South East.
- The region has lower levels of educational attainment in terms of high school completion rates and university qualifications and higher proportions of mature aged workers not participating in the labour force.
- A priority of the region is to provide skills training and development to build skills that are mobile and easily transferrable between industries.

Source: Skills for Jobs, The Training and Skills Commission's five year plan for skills and workforce development, 2011.

Key Issues for the region

Consultation with local governments, industry groups and communities revealed issues of most concern. Together these issues can be grouped under four themes, (A) environment and culture, (B) economic development, (C) population and settlements and (D) infrastructure and service provision.

Underlying each theme are principles and policies (e.g., as in A: Environment and Culture) to help realise the regions vision and full potential. Issues, challenges, opportunities and barriers highlighted in the RDALC Regional Roadmap are grouped under each of the four themes and commentary is drawn from the RDA Roadmap (as in A.1, A.2, B.1 etc).

A. Environment and culture – Principles and policies

- *Recognise, protect and restore the region's environmental assets;*
- *Protect people, property and environment from exposure to hazards;*
- *Identify and protect places of heritage and cultural significance, and desired town character;*
- *Create the conditions for the region to adapt and become resilient to the impacts of climate change.*

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[2] *Sydney Morning Herald*, "Mill job losses to hit Millicent: Libs", 26th January, 2011.

A.1 Climate change – Issues identified in RDA Roadmap

- The impacts of climate change are not widely discussed in the RDALC Roadmap but are of significant concern to the regions coastal councils.
- The DC of Robe has identified climate change as an issue citing more frequent and destructive storm surges causing damage to infrastructure, beach erosion and king tides as major concerns.
- Sea level rise will be a problem for coastal councils impacting on storm water drainage, sewage disposal and coastal infrastructure in general; these impacts will affect several aspects of council operations including but not limited to: infrastructure, parks and gardens, the provision of community services and liability and risks associated with insurance and legal obligations.

A.2 Water – Issues identified in the RDA Roadmap

- Irrigated agriculture is supported by two underground aquifers, an upper unconfined aquifer and deeper confined aquifer.
- The unconfined aquifer is the regions principal source of underground water supporting irrigated agriculture, forestry and livestock industries.
- The confined aquifer is the primary water supply for eight towns and is also used for aquaculture and irrigation.
- Waters from both aquifers are protected by water allocation plans for sustainable use with the Lower South East Water Allocation Plan due to be released in 2012.

A.3 Renewable energy – Issues identified in the RDA Roadmap

- Opportunities exist for the development of geothermal, wind, biomass and wave energy, existing infrastructure would make it easy to connect additional renewable power stations to the national grid.
- A number of geothermal projects are either in place, planned and committed or under consideration by a range of companies including Geothermal Resources Ltd and Panax Geothermal Pty Ltd.
- In excess of 200 wind turbines operate throughout the region most are located near Lake Bonney, additional wind farms are under construction or planned for construction.
- Acciona has lodged an application for a 48 turbine (144 MW) wind farm at Exmoor near Naracoorte with a development application likely to be submitted in 2012.
- A proposal by Acciona for a $145 million wind farm at Allendale has been blocked on court appeal by residents, based on visual amenity concerns and the proximity of the wind farm to resident’s homes, prompting state government to draw up new legislation regarding future developments across the state.
- The 120km long Woakwine range stretches from Carpenters Rock in the South to Cape Jaffa in the north; the site is naturally suited to wind farms, comprising 129 wind turbines at Canunda and Lake Bonney making it the largest wind farm development in the Southern Hemisphere.
- Potential exists for further wind farms in the Woakine Range which possesses large tracts of cleared agricultural land and is in close proximity to transmission infrastructure.
- The potential to generate power using wave energy is being investigated off the Southern Coast.

- Biomass power generation using dead trees, branches and tree stumps from forest plantations or seaweed from coastal regions is in use or at the advanced or conceptual planning stage.
- In a recent study commissioned by the Climate Institute the Limestone Coast is recognised as a 'clean energy hotspot' anticipating the creation of 497 permanent jobs (both existing and new) in operation and maintenance of renewable energy infrastructure and 2,858 jobs in construction by 2020.

B. Economic development – Principles and policies

- *Retain and strengthen the economic potential of the region's primary production land;*
- *Strengthen local commercial fishing and aquaculture industries;*
- *Reinforce the region as a preferred tourism destination;*
- *Provide and protect serviced and well-sited industrial land to meet projected demand;*
- *Focus commercial development in key centres and ensure it is well-sited and designed.*

B.1 Economy – Issues identified in RDA Roadmap

- To support economic development there is a need to upgrade key transport infrastructure including, road, rail and ports, to enable the efficient movement of timber plantation products and other key commodities throughout the region as outlined in the Green Triangle Freight Action Plan (GTFAP).
- The recently upgraded Mount Gambier Regional Airport can now accommodate larger aircraft capable of handling freight providing an alternative means of exporting the region's products.

B.2 Mining – Issues identified in RDA Roadmap

- Mining activity comprises a small fraction of employment and gross regional product, between 1996 and 2006 census years there was little change in total persons employed in mining.

B.3 Tourism – Issues identified in RDA Roadmap

- The opportunity for tourists to sample the region's locally produced food and wine has been used as a marketing strategy to encourage more tourists to the Limestone Coast.
- Designation of marine parks in coastal waters is likely to increase tourism by increasing fish stocks and creating a positive image of the area as clean and green.
- Tourists have better access to the region with the upgrade to the Mount Gambier airport enabling larger commercial and private passenger aircraft to use the airport and potentially attracting a second passenger carrier to service the region.
- In consultations with the community there is a perception the region is not reaching its full potential and needs to offer a greater breadth of activities to attract high yield tourists e.g. gourmet food and wine, construction of five star accommodation, greater variety of tours, hosting more festivals and providing cultural and environmental tourism.
- Greater investment in the development of tourism products and experiences is required to attract more visitors.

B.4 Agriculture – Issues identified in RDA Roadmap

- Agricultural produce includes, beef, sheep, dairy products, grains, fruit, wine grapes, small seeds (lucerne and carrots) and horticultural products such as potatoes and onions.
- Most agricultural enterprises employ less than 20 employees and total employment in the sector declined by 7.2 per cent between 2001 and 2006.
- It is likely employment in agriculture would have continued to decline since 2006 due to the effects of the drought, the GFC, wine grape glut, milk price reductions, declining timber sales, increased use of technology at the expense of labour, changes in land use and falling private investment.
- Reduced water security caused by drought and climate change is likely to drive the expansion of intensive agriculture yielding greater output from the same amount of land by using larger quantities of labour and capital.
- The use of more advanced technology for irrigation, the need for forest and pasture management skills and creation of larger enterprises has created strong demand for employees with university level qualifications in agriculture.

B.5 Forestry – Issues identified in RDA Roadmap

- Forestry is more important to RDALC than any other region, in 2009 total area of forest included 107,611 hectares of softwood and 42,368 hectares of hardwood, producing an annual harvest of 3.6 million tonnes of timber[3].
- The forestry workforce is typically older than other sectors; approximately 50 per cent is aged over 45 years and as these workers reach retirement the local forestry sector will be faced with skills shortages.

B.6 Aquaculture – Issues identified in RDA Roadmap

- Some aquaculture occurs in the Limestone Coast but there is limited discussion about the sector in the RDALC Roadmap.

C. Population and settlements – Principles and policies

- *Strategically plan and manage the growth of towns;*
- *Design towns to provide, safe, healthy, accessible and appealing environments;*
- *Provide residential land for a supply of diverse, affordable and sustainable housing to meet the needs of current and future residents and visitors;*

C.1 Population – Issues identified in RDA Roadmap

- Population growth is occurring largely in the Lower South East relative to the Upper South East which has declining population.
- Between the years 2001 and 2006 Robe's population grew by 30 per cent while Naracoorte and Keith experienced decline, Robe's population has continued to increase since 2006.
- Most people are concentrated in the Lower South East, especially in the Provincial City of Mount Gambier where 40 per cent of the region's population live.
- Community leaders and stakeholders recognise attracting more people to the region is crucial for long term development and aspire to reach a population target of 140,000 residents by 2030 with the help of strategic government policy.

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[3] In late 2011 regional stakeholders produced a Green Triangle Forestry Industry Prospectus.

- Potential residents recognised as most desirable and able to make the most significant contribution are young couples with or without children, young skilled professionals, entrepreneurs, investors and business owners.
- Mount Gambier is of strategic importance in reaching the population target having the most developed infrastructure of all major population centres capable of supporting further population growth.
- Between the years 2001 and 2006 the indigenous population increased by 17.9 per cent comprising 1.2 per cent of the population or 776 persons.
- The Limestone Coast Planning and Review highlight there is no shortage of available land in the south east and south east communities.

C.2 Education, skills and unemployment – Issues identified in RDA Roadmap

- Mount Gambier is the region’s education centre housing Southern Cross University and a campus of the University of South Australia providing undergraduate courses in nursing and rural health, social work and rural practice, business and regional enterprise and foundation courses in writing and study skills.
- TAFE SA regional provides vocational education and training in forestry, transport, retail, hospitality, business and agriculture at its main campus in Mount Gambier in addition to smaller centres in Millicent, Naracoorte, Bordertown and Kingston.
- The region possesses a trades school located on the Grant High School Campus and two independent learning centres in Mount Gambier and Naracoorte with 200 students completing their SACE.
- In 2009 the region recorded 640 completions of traineeships and apprenticeships in 95 trades and vocations.
- The community perceives there to be a lack of educational opportunities when it comes to both the number of places on offer and the variety of courses available to study.
- School based apprenticeships and traineeships are tailored to meet the needs of transport, agriculture and forestry, engineering, personal service, horticulture and nursing.
- Many businesses in the region rely on on-the-job skills training with skills passed on through family businesses.
- Rapid technological change means to remain competitive businesses need employees with strong technical skills and business skills requiring the provision of a wider variety of regional education services to meet demand.
- Although there has been growth in the proportion of residents holding certificates and bachelor degrees, meeting the skills demands of industry is hindered by low high school retention rates and a below state average proportion of the population with university qualifications.
- Unemployment is higher in the Lower South East than the Upper South East, in recent years the region’s unemployment rate has remained below the state-wide unemployment rate.

D. Infrastructure and services provision – Principles and policies

- *Protect and build on the regions strategic infrastructure;*

D.1 Infrastructure – Issues identified in RDA Roadmap

- Electricity infrastructure is modern and extensive, it includes, a regional loop supplying the entire region's energy, connected to the National Grid through access points at Tailem Bend via an interconnector running between Adelaide and Victoria, giving the region an advantage in the renewable energy generation industry.
- Existing road and rail infrastructure requires upgrading to cope with the expected growth of the timber industry, including, rail connections with Portland, upgrades to the Princes and Riddoch Highways, and heavy vehicle detours around Penola and Mount Gambier.
- Augmentations to the natural gas pipeline (SEAGAS) traversing the region to connect with other major centres such as Millicent, Penola and Naracoorte are crucial to assisting with further industry development and population growth.
- Mount Gambier Airport has had the main runway; taxiways and aprons upgraded permitting larger planes to use the airport, smaller regional airports still require upgrading.
- Investment in maintaining and upgrading existing drainage infrastructure is needed to allow drained water to be put to further use in aquifer recharge or diversion for other productive uses in the environment.
- Investment in social infrastructure such as health services, educational facilities and public transport are needed.
- Upgrades to telecommunications infrastructure capable of delivering high speed broadband and improved mobile phone coverage are needed; the introduction of the high speed broadband network should help address this problem.
- More accommodation for seasonal workers involved in agriculture and workers involved with the meat processing industry is needed.
- Development of the horticulture industry in the upper south east will require improvements to local communication networks and local road networks to transport produce to market.

Major projects

The following section contains a list of major projects in the RDALC region which have been approved, are in progress or are under consideration as outlined in the South Australian government's Major Developments Directory 2011/12.

Mount Gambier

Project title:	Mount Gambier Hospital Redevelopment
Organisation:	SA Health
Project details:	Redevelopment of the emergency department, expansion of the dental clinic and acute care capacity and conversion of existing day care facilities to community health offices.
Project cost:	$26.7 million
Estimated completion date:	June 2016
Status:	2011-12 Capital Investment Statement

Project title:	Country Community Rehabilitation Centres
Organisation:	SA Health
Project details:	Construction of two 10-bed facilities at Whyalla and Mt Gambier for people suffering mental illness.
Project cost:	$7.3 million
Estimated completion date:	June 2013
Status:	2011-12 Capital Investment Statement

Kingston

Project title:	Kingston Lignite Project
Organisation:	Strike Energy Ltd
Project details:	A proposal to develop a lignite gasification project near Kingston, mined lignite can be used to produce high value products such as methanol, urea or liquid fuels.
Project cost:	$3 billion
Estimated completion date:	2018
Status:	Under consideration

South East Region

Project title:	Upper South-East Dryland Salinity and Flood Management Program
Organisation:	Department for Water
Project details:	Construction of drains and the implementation of complementary programs, such as biodiversity protection and flow management to improve agricultural production and environmental values between Bool Lagoon and the Coorong.
Project cost:	$49.3 million
Estimated completion date:	December 2012
Status:	In progress
Project title:	South East Backbone Telecoms Stage 2
Organisation:	ElectraNet Pty Ltd
Project details:	Connection of remaining ElectraNet Substations to the existing fibre optics telecommunications network
Project cost:	$10 million
Estimated completion date:	October 2014
Status:	Under consideration

Project title:	South East Dual Path Telecommunications
Organisation:	ElectraNet Pty Ltd
Project details:	To remain compliant with National Electricity Rules ElectraNet is installing a second new fibre-based telecommunications bearer between Tailem Bend and South East substations. This will add independent communication paths to current substation sites, increase capacity of the system and reduce data loss associated with older technologies (PLC and radio).
Project cost:	$14 million
Estimated completion date:	August 2012
Status:	In progress

Project title:	South East Drainage and Wetland Management Program
Organisation:	Department for Water/South East Water Conservation Drainage Board
Project details:	The objective of this project is to implement a management regime for the South East drainage network that supports the achievement of 'triple bottom line' outcomes for the region.
Project cost:	$7.5 million
Estimated completion date:	July 2012
Status:	In progress

Table 1: South Australian local government capital expenditure for 2011/12

Council	Local government expenditure 2011/12 ($)
District Council of Grant	8,484,000
Kingston District Council	2,020,000
City of Mount Gambier	8,680,000
Naracoorte Lucindale Council	2,116,000
District Council of Robe	4,446,000
Tatiara District Council	Not available
Wattle Range Council	15,423,000

Source: South Australian Major Developments Directory 2011/12.

Appendix A

Selected Statistics: Labour market outcomes

Limestone Coast

Population	**RDA Limestone Coast**	**% of State Total**	**South Australia**
Estimated Resident Population (ERP): June 2010	66,724	4.1%	1,644,582
Net Change in ERP 2009 to 2010	746	-	20,992
Rate of Population Change (%)	1.1%	-	1.3%
		% of Total Population	
Youth (15-24)	8,208	12.3%	13.6%
Mature (45-64)	17,867	26.8%	26.3%
Aboriginal – Census 2006	776	1.2%	1.7%
People with a disability (15-64) – Census 2006	912	2.3%	2.7%
Labour Force (Dept of Education & Workplace Relations: March 2011)			
Total Employed	35,711	-	812,100
Total Unemployed	1,866	-	47,200
Unemployment Rate	5.0%	-	5.5%
Participation Rate (June 2010)	68.8%	-	62.7%
Industry Employment (Census 2006)		**% of Total Employment**	
Agriculture, Forestry and Fishing	5,628	18.8%	4.7%
Manufacturing	5,030	16.8%	13.2%
Retail Trade	4,328	14.5%	14.7%
Health and Community Services	2,465	8.2%	12.7%
Qualifications (Census 2006)		**% of Total Population (15 years and older)**	
Degree or higher	3,307	6.8%	13.0%
Diploma	2,363	4.8%	6.5%
Certificate Level III or IV	7,383	15.1%	14.3%
Training (NCVER 2009)		**% of State Total**	
VET Students	6,193	5.1%	121,851
Students reporting Disability	6.5%	-	6.2%
Aboriginal Students	1.9%	-	3.6%
Commencing Apprentices and Trainees (2008)	1,495	6.8%	21,960

Source: data extracted from Workforce Wizard, DFEEST, November 2011