

6. Conclusion



While national data is useful for providing an overall picture of economic and social wellbeing, it can often obscure what is occurring in particular locations.

This report illustrates how major trends can have differential effects upon regions. The main themes—population change, economic wellbeing, structural change, social progress and infrastructure—show that regions differ in the way they experience and respond to change. For example, while Australia's population is ageing overall, regionally the characteristics of ageing populations differ and the resultant challenges vary. A number of case studies illustrated this variation and the effect that income, wealth and accessibility to larger population centres can have.

Regions with ageing populations that have low property prices and high dependence on the age pension will face different challenges from those with high property prices and a greater proportion of self-funded retirees. Indeed, in the case of the latter, there are potential opportunities associated with the greater wealth they bring to a region.

Spatial variation is also evident in economic wellbeing indicators. National measures such as Gross Domestic Product illustrate the way in which Australia as a whole is progressing economically. However, examination of economic indicators at the regional level provides greater insight into the spatial distribution of this prosperity.

Youth engagement in work or study is more likely to be higher in *major cities* and much lower in *remote* Australia. The differing rates relate to both the availability of educational services and employment opportunities, and the propensity to take advantage of them. Low rates of engagement are found not only in remote areas but also in larger centres and those close to capital cities. This suggests that low engagement is not limited to areas whose opportunities are curtailed by geographic isolation.

The data on estimated median household income, an indicator used for living standards, reveals that *inner regional* and *outer regional* areas consistently have the lowest median incomes. At the same time, the influence of mining is reflected in *remote* Australia which experienced the fastest income growth. Future analysis may indicate the impact that a slowdown in mining can have on incomes in these areas.

The overarching theme of this report has been the different ways in which regions change. Some regions have benefited from change, such as growth in important local industries. However, others have experienced the adverse impacts associated with industrial decline.

Shifts in industrial composition have delivered strong employment growth in regional Australia. This change is partially reflective of the more concentrated industry base in these areas, which is particularly susceptible to change caused by booms and busts in key industries.

Between 2001 and 2011, there was national growth in Mining, Construction, and Health Care and Social Assistance with a corresponding decline in Agriculture, Forestry and Fishing, Retail Trade and Manufacturing. Both of these trends have been exacerbated in regional Australia. While the mining boom has delivered strong employment in *regional* and *remote* Australia, a corresponding decline in employment in agriculture has also been experienced in these areas.

Because wellbeing transcends economic progress, the analysis of social progress provides greater insight into the experiences and living conditions of people in different regions. Measures of social progress from the *Progress in*

Australian Regions: Yearbook 2014 were used to develop a nuanced picture of the factors that contribute to living standards in regional Australia.

Differences in health outcomes, safety and social engagement raise important questions around inter-regional equity. The lower life expectancy in regional areas compared with Greater Capital City Statistical Areas can be attributed to a number of factors, including greater access to health services in these areas, differences in health risk factors across location and variation in demographics across Remoteness Classes.

This lack of access to services is illustrated through a focus on mental health. Mental health outcomes are poorer in *regional* and *remote* areas, possibly because treatment options are more difficult to access. *Regional* and *remote* areas may lack the infrastructure and population to support specialist services that are more readily available in larger areas.

While lifestyle factors are often cited as a key motivation for internal migration to *regional* areas, the analysis suggests that regional areas do not necessarily perform any better than *major cities* on available measures of life quality such as health, safety and community engagement.

For a country as large and wide as Australia, infrastructure is essential for facilitating flow of services, people and goods between regional areas, towns, cities and export points. This report has shown the role infrastructure plays in the long-term development of regional towns and cities. Continued investment in infrastructure will be necessary to meet the growing need to move people and freight to and through regional Australia.

Progress in Australian Regions: State of Regional Australia 2015 provides a detailed snapshot of life experiences in the regions from demographic, economic, employment, social and infrastructure perspectives. By examining issues spatially and seeing the way in which they change over time, an essential understanding of the unique challenges faced by regions and the ways in which they respond to these can be used to create regions that are more productive, sustainable and resilient.

