

ECONOMIC DEVELOPMENT JOURNAL

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HIGHLIGHTS IN THIS EDITION.

- > GET READY FOR THE NATIONAL ECONOMIC DEVELOPMENT CONFERENCE (NEDC23)
- > REGIONAL GROWTH – HOW WE MEASURE MATTERS
- > LEVERAGING IMPACT CAPITAL FOR SHARED PROSPERITY: A CHALLENGE FOR ECONOMIC DEVELOPMENT PROFESSIONALS
- > REINVENTING HOW SPACES AND PLACES ARE SHARED



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Economic Development Australia (EDA) proudly acknowledges Australia's Aboriginal and Torres Strait Islander community and their rich culture and pays respect to their Elders past and present. We acknowledge Aboriginal and Torres Strait Islander peoples as Australia's first peoples and as the Traditional Owners and custodians of the land and water on which we rely. We recognise and value the ongoing contribution of Aboriginal and Torres Strait Islander people and communities to Australian life and how this enriches us. We embrace the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.



FROM THE CEO

Jacqueline Brinkman, Chief Executive Officer

As we prepare this edition of the EDA Journal, we are also finalising preparations for the National Economic Development Conference (NEDC23) to be held in Karratha, WA from August 22. While the pandemic showed us how efficient and productive we can all be working remotely, there is something very special about gathering in person with peers from all over the country.

This year, the Conference will focus on the theme; The Evolution of Value – The Future of Economies. This edition of the EDA Journal features articles by a number of our conference presenters. The piece contributed by Dr Susan Stone is the ideal precursor to the NEDC23 program. Dr Stone who was formerly an economist with OECD and United Nations, prompts the reader to consider the tools we use to measure and inform economic policy. We are invited by Dr Stone to consider alternative measures that perhaps better reflect modern ideas of growth and development, including collective well-being.

Similarly, Mary Delahunty one of NEDC23's keynote speakers provides an illuminating insight into the ways impact capital can serve as a critical tool in mitigating the complex global challenges we are experiencing today. Mary illustrates that, "The convergence of public interests and market-based solutions, when designed intentionally and delivered at scale has the potential to create genuine shared prosperity."

This edition of the journal includes a number of articles relating to place-based economic development initiatives. Robert Prestipino presents the concept of micro precincts as an effective tool for rural and remote regional communities.

The team at the City of the Gold Coast present findings from their study into the factors influencing businesses in Gold Coast precincts for placemaking purposes.

Jeremy Hurst from *SpacetoCo* invites the reader to reimagine the sharing of spaces and places for community, sustainability and for local economic development.

Tina Perfrement, from the City of Greater Geelong details the vision to utilise a place-based approach to position Geelong as a Centre of Excellence for cleantech.

Dr Laura Hodgson from the City of Adelaide provides an overview of the methodology used to demonstrate the economic value of the Victor Harbor Horse Tram (VHHT). The article is a useful resource for any economic development practitioner considering a review project of this nature.

This edition of the EDA Journal acknowledges those members who have recently achieved recognition as Australian Certified Economic Developers (ACEcD). Congratulations to them all for their considerable commitment to their professional development.

Thank you to all our contributors. We hope you enjoy this edition.

Kind regards,

Jacqueline Brinkman GAICD
Chief Executive Officer
Economic Development Australia

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DAY 5
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ELECTIVE 2.5
Building Partnerships & Advocacy



REGIONAL GROWTH – HOW WE MEASURE MATTERS

Dr Susan F. Stone, Credit Union SA Chair of Economics, University of South Australia

The measurement of economic growth has always been wrought with controversy. What is easy to observe and provides good objective measurement is usually less than satisfactory when it comes to capturing modern ideas of growth and development. If we think about Maslow's Hierarchy of Needs, fulfilling the lowest rung – physiological needs – are relatively easy to measure. When an economy provides more food, water, etc., this can be easily measured and its distribution and consumption easily tracked. So when we can talk about populations having an improved standard of living, we usually are referring to better access to food and water, more electricity, more clothing and shelter. Even the second run of the Hierarchy, security, can be measured. Here we are talking about having access to things like vaccines, hospitals and police. Absence (or the lack thereof) of war and natural disasters can be measured and tracked as well. Thus, we often judge our well-being based on what we can readily measure.

Along with the ease of having access to relevant data and objective measures, there

is also the ability to compare these measures across people, communities and countries. This data has the benefit of being consistent, so it also allows us to judge performance over time and know if a community is making 'progress'. Thus, given their ability to be measured objectively and consistently, we tend to focus on these items. And for many people around the world, access to nutritious food, clean water, health services and a place to live, are the most relevant measures by which to judge progress. The amount of people living in poverty, while improving, is still high, and COVID did not help. People across the globe living in extreme poverty. The number of people in extreme poverty rate reached 9.3 percent in 2022, up from 8.4 percent in 2019. The Australian Council of Social Services estimates that over 3 million Australians live in poverty, including 716,000 children.

However, for those of us fortunate to live in a wealthy country, including most Australians, these measures have less relevance. We have, for the most part, moved up the Hierarchy to be concerned more about belonging, esteem and, at

the top, self-actualisation. These things are more difficult to measure, and to measure objectively. The value put on these attributes changes, often depending on the individual. While societies and communities can share common values around certain aspects of economic development (such as the maintenance of green space around housing development or the preservation of historical districts around business development), different people will have different ways to value having choice, for example, or getting a graduate degree.

Besides these more subjective measures, other factors which can still fall in the 'meeting basic needs' and 'safety' categories and be difficult to measure. Many environmental goods and services fall in this category. Also, once we have the basics of food and water satisfied, we run into the varying degrees of quality for these items. No one would argue that the value of water which has been subjected to run-off from a local tannery is the same as pristine glacier water from the Himalayas.

Figure 1. Three Measures Beyond GDP



Source: Federal Reserve of St. Louis, <https://www.stlouisfed.org/en/open-vault/2023/apr/three-other-ways-to-measure-economic-health-beyond-gdp>.

HOW DO WE MEASURE GROWTH?

The most commonly used measure of economic output and growth is Gross Domestic Product, or GDP. At the state and territory level in Australia these are reproduced as Gross State Product (GSP) or State Final Demand. The measure of GDP or GSP, is based on the value of all goods and services produced in a certain period (often one year). This can be based on the value of the outputs (expenditure approach) or are the value of the inputs (income approach). Focusing on what is produced is a less than satisfactory measure of growth or well-being. It does not capture many items (such as air or water quality) and perversely captures others (such as a chemical leak increasing the output of hospital services). It is now widely accepted that to inform policy to promote meaningful growth, other

measurement approaches are needed.

Several initiatives have been undertaken to try and improve the way we measure growth and prosperity. Many of these fall under the heading of 'well-being'. These well-being indices have gained a great deal of traction since Bhutan first introduced the notion of Gross National Happiness in the 1970's (in 2008, Bhutan formally adopted this measure in its constitution). In 2015 the United Nations formally adopted the Sustainable Development Goals (SDGs) which attempt to measure human performance or growth across 17 variables. These variables include traditional output such as production and employment but also include quality measures such as environment and health. These efforts have largely focused on the national,

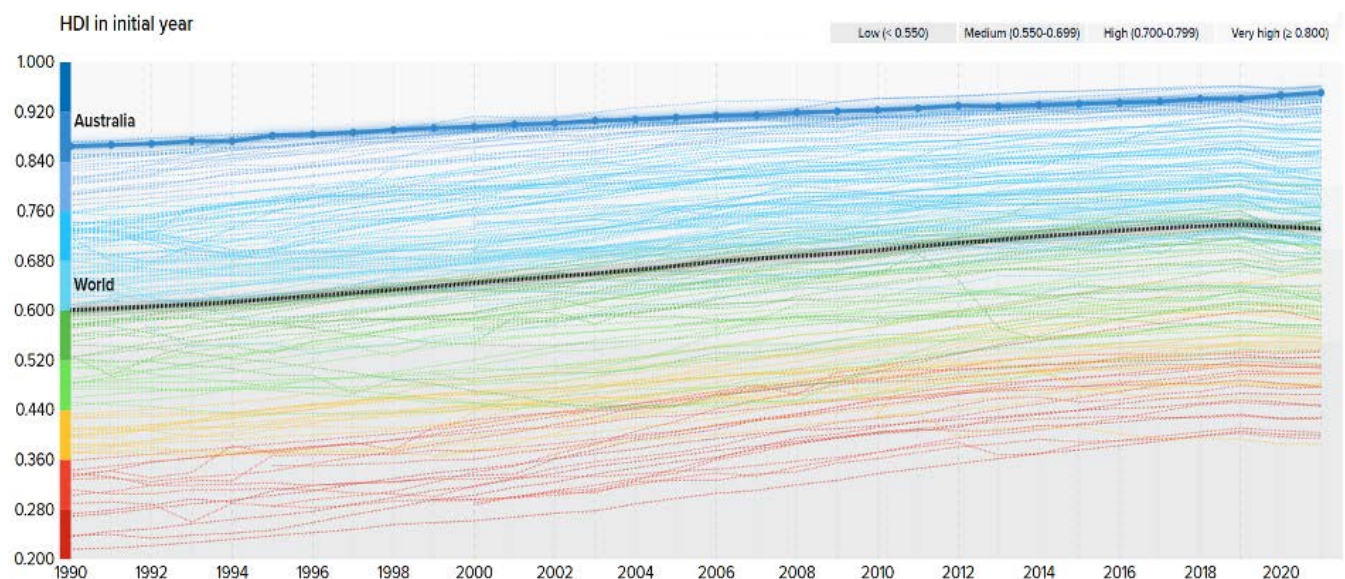
or even global, level. Three significant approaches have been the Human Development Index (HDI), the OECD Better Life Index and the Genuine Progress Indicator (Figure 1).

Human Development Index

The Human Development Index (HDI) was developed by the UN Development Programme in 1990 in an attempt to capture a broader sense of growth, especially pertaining to gains made by developing economies. The emphasis was placed on people and their development, rather than just economic output. The HDI measures average achievement in three dimensions of human development: (1) health via life span and physical condition; (2) schooling through levels of education and training; and (3) more traditional economic measures such as per capita income.

The health dimension is assessed by life expectancy at birth, the education dimension is measured by mean of years of schooling for adults aged 25 years and more and expected years of schooling for children of school entering age. The economic dimension is measured by gross national income per capita. The HDI uses the logarithm of income, to reflect the decreasing importance of income with increasing national wealth. The scores for the three HDI dimension indices are then aggregated into a composite index using geometric mean. Figure 2 shows the HDI from the 2021 report, highlighting the Australian and World averages. A value closer to 1.0 indicates a high human development score.

Figure 2. Australia on the HDI



Source: UNDP <https://hdr.undp.org/data-center/human-development-index#/indicies/HDI>

OECD Better Life Index

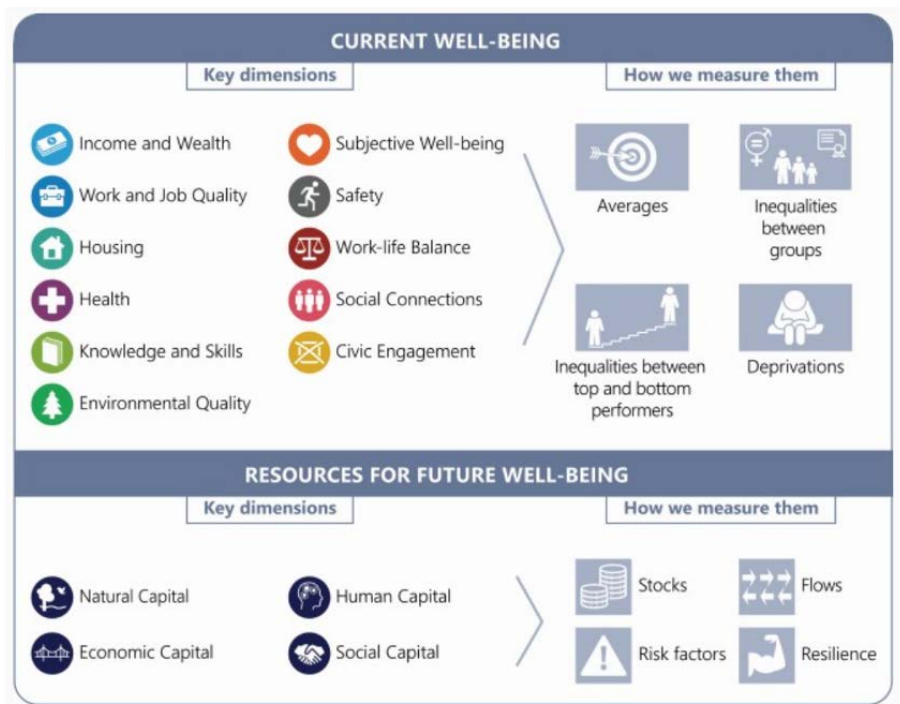
Dissatisfaction with GDP as a measure of economic development was not limited to developing economies. The developed world also believed that this measure did not provide a sufficiently detailed picture of the living conditions that ordinary people experienced. While these concerns were already evident during the years of strong growth and good economic performance that characterised earlier decade, the financial and economic crisis in 2008 further amplified them. Increasingly, calls were made to consider a broader picture of human development to improve the development and accountability of public policies.

In 2007, the French government instigated a process for improving the measurement of economic well-being. The Commission on the Measurement of Economic Performance and Social Progress completed its report in 2009 (Stiglitz, J, Sen, A & Fitoussi, J-P, 2010) providing a recommended template on how to measure economic performance and social progress. Applying this template as a starting basis, the OECD subsequently developed a Better Life index which could assess progress looking not only at the functioning of the economic system but also at the diverse experiences and living conditions of people. The Index is built around three distinct components: current well-being, inequalities in well-being outcomes, and resources for future well-being (Figure 3).

Genuine Progress Index

As opposed to the HDI or Better Life Index, the development of the Genuine Progress Index (GPI) was not a government mandated process but has been led by the academic community. One of the problems pointed out in the economic literature is that GDP conflates costs and benefits, leaving out many benefits from non-market economic activities, without accounting for inequality. The GPI, and its predecessor, the Index of Sustainable Welfare (ISEW), were developed as alternative indicators of national progress. In addition to measuring economic progress, these alternative indicators also factor-in social and environmental dimensions and can therefore be used as proxies for well-being in monetary units comparable with GDP. The GPI is a composite indicator, consisting of several indices, grouped over economic, social, and environmental

Figure 3. Measuring Well Being



Source: OECD <https://www.oecd.org/wise/measuring-well-being-and-progress.htm>

categories, to form a single metric (Hoskins & Mascherini, 2009). The benefits and disadvantages of composite indicators and the use of GPI as a method have been covered in the literature (e.g., OECD, 2008; Garcia 2021). While many consider GPI as offering a more accurate indication of national progress than GDP, there is debate about the choice of indices and the underlying data for estimating them. The GPI is calculated by adding-up the benefits and deducting the costs of economic, environmental and social externalities (see Table 1 for an example). It is usually compared to the GDP to identify whether additional economic growth, as measured by GDP, has actually been beneficial for people's well-being. When the GDP increases at the cost of resources that are important for the environmental and social aspects of people's well-being; and these costs are higher than the benefits of the GDP growth, this growth can be considered fraught.

Regional Efforts to go beyond GDP

There have been several initiatives undertaken to assess well-being at the regional level. While approaches differ, each of these measures is attempting to capture the more qualitative but still meaningful aspects of growth and prosperity. Thus, not only do they attempt to go "beyond GDP" but also,

critical to regional measures, beyond national averages (or "beneath GDP") to provide a more informed picture of well-being for both national and local policy development. Recent initiatives that aim to cover selected regions, include (OECD 2020):

Australia: In 2011, the Australian Bureau of Statistics (ABS) published "Measures of Australia's Progress" (MAP) as a result of extensive consultation with various stakeholders including communities. While it reports national outcomes across the main dimensions (society, economy, governance and environment) the 2013 edition of the MAP included regional outcomes. A Regional Well-Being Survey of residents living in Australia's rural and regional areas was conducted by the University of Canberra in 2013. It examines the well-being of people in rural and regional communities, and how well-being is influenced by the social, economic and environmental changes occurring in these communities.¹ Australia also produces a measure of well-being at the local government level. This report, by The Australian Centre of Excellence for Local Government focuses on policies to help local councils evaluate the progress of community programmes and local well-being to help improve local government's capacity and accountability.

Table 1. Inputs to Genuine Progress Index

GPI Indicators	Method (Calculations / Estimations)	Reference for method	Data source
Personal Consumption Expenditures (PCE) + Income Distribution Index (INI) -	ABS: 5206.0 - Australian National Accounts: National Income: TABLE 8 - Household Final Consumption Expenditure (HFCE): A2303280V INI (2020) = G1/G0 G1: Gini (2020); G0: Base year Gini derived from What-if-Analysis (Goal-Seek) of Gini series.	(Lawn, 2013; Bagstad et al., 2014) INI (Lawn, 2003)	(ABSa, 2021) Gini series (1967–2013) (Kenny et al., 2019) Gini series (2014–2020) (ABSb, 2022)
Adjusted Personal Consumption (APCE) + Value from Services of Consumer Durables - Cost of Consumer Durables -	APCE = (PCE Services of Consumer Durables + Cost of Consumer Durables + Cost of Commuting + Cost of Motor Vehicle Crashes) / INI ABS: 5232.0 - Australian National Accounts: Finance...: TABLE 36 - Analytical Measures of Household Income, Consumption... ABS: 5232.0 - Australian National Accounts: Finance...: TABLE 36 - Analytical Measures of Household Income, Consumption...	(Lawn, 2013; Bagstad et al., 2014) (Lawn, 2013)	Table 1 (ABSc, 2020)
Cost of Unemployment -	ABS: 6202.0 - Labour Force, Australia...: Total Hours worked in Q1,2 of 2020 minus those of 2019 × Average hourly wage (\$) (2019: considered base year, with \$0 cost)	(Kenny et al., 2019; Lawn, 2013)	(Labour Force, 2020)
Value from Net Capital Investment (NCI) + Cost of Air Pollution -	ABS: 5232.0 - Australian National Accounts: Finance...: Total Capital Formation in Q1 2019 minus that of 2020; PM2.5 (tonnes) × \$ cost of PM2.5 per tonne (at an urban density of people/klm2)	(Lawn, 2013)	(ABSd, 2020)
Cost of Climate Change -	[Australia CO2 emissions in Megatonnes in Q1,2 of 2019 minus those in 2020] × \$ Cost of CO2 per metric tonne	(O'Mahony et al., 2018a) (O'Mahony et al., 2018b)	(Kenny et al., 2019; NPI, 2020; EPA, n.d., 2013) (Department of Industry, 2020)
Cost of Net Farmland Change -	[National Agricultural Land Area (ha) in 2020 × Average value of 1 ha of agricultural land] minus the value in 2019	(Kenny et al., 2019)	(Agricultural Commodities, 2020; Rabobank. n.d., 2020)
Cost of Nonrenewable Energy Resource Depletion -	Requires estimation of \$ cost for preventing the depletion of non-RES via use of RES: N/A for the COVID lockdown period	(Kenny et al., 2019)	(Teske, 2016)
Cost of Ozone Depletion -	Requires Australia CFC emissions impact from COVID: N/A × Average \$ cost per tonne of CFC emissions associated to radiation levels of depleted ozone layer	(Kenny et al., 2019)	(Kenny, 2019; Lickley et al., 2020)
Cost of Crime -	\$ Cost est. per type of crime in Australia for 2020 vs 2019: N/A	(Kenny et al., 2019)	(Kenny et al., 2019; ACIC, 2020) and sources in Appendix A supp. document.
Value of Leisure Time +	Based on ABS time classification [24 h - (Sleep & Hygiene Hours - Paid Work hours - Unpaid Household work hours - Commuting hours) in Q1,2 of 2020 minus those of 2019] × \$ WTA hourly rate (daily est.)	(Kenny et al., 2019)	(ABS, 2006; Labour Force, 2020)
Value of Household work +	Proportionate Estimation: Total (\$) value of unpaid housework for 2019 × Total hours of housework per day (in COVID)/ Total hours of housework per day (in 2016)	(PWC, 2017)	(Craig and Churchill, 2021)
Cost of Family Changes - Value of Volunteer Work +	N/A Volunteer work hours lost during COVID × average hourly wage (\$)	N/A (Clarke and Lawn, 2008)	N/A (Volunteering Australia, n.d., 2018; Update on National Volunteer Week, 2020)
Cost of Motor Vehicle Crashes -	# of car crash related fatalities per Q1,2 in 2019 minus those of 2020 × average \$ cost of a car crash fatality	(Kenny et al., 2019)	(BITRE, 2020; AAA, 2017)
Cost of Commuting -	Estimation: Cost of (using public transportation + car purchase & maintenance & operation + time lost commuting to work) Statistical error est.: 1% to 10%	(Clarke and Lawn, 2008)	(Australian Institute of Family Studies, 2020)(ABSe, 2017) (FCAI, 2020) (AAA, 2017) (BITRE, 2019)ABSc, 2020 (Morgan, 2020) (Denby, 2019) (ABSc, 2020)
Value of Higher Education +	Value of education in 2019 (annual revenues) minus Value of Education in 2020 (estimated revenues minus losses from drop in international student enrollments)	(Kenny et al., 2019)	(Victoria University Australia, 2020)

Source: Karatopouzis, et al (2022)

Belgium: The Index of Conditions of Well-Being was developed by the Walloon Institute for Evaluation, Prospective and Statistics in 2013, covering the 262 municipalities of Wallonia in Belgium. Over 1,200 residents were surveyed on what mattered to them in terms of individual and collective well-being. The outcome highlighted the importance of many facets of well-being beyond the traditional economic conditions. The Index of Conditions of Well-Being identifies 58 indicators available across 262 Walloon municipalities, organised into families, dimensions and sub-dimensions of well-being.

Canada: The Canadian Index of Well-Being (CIW) has been published annually since 2011.² In 2014, the first provincial report for Ontario was released, drawing on the research used for the CIW's national index. The conceptual framework identifies eight well-being dimensions based on social, health, economic and environmental factors contributing to overall quality of life. For each dimension, eight headline indicators are identified and aggregated into a single index. In addition to the CIW for Ontario, other initiatives at provincial and municipal levels have been undertaken to measure local well-being.

France: In a 2012 study, the Direction générale de la prospective in France's Nord-Pas-de-Calais region developed a method of human development for 22 regions in France. This measure is an adaptation of the UN's HDI and consists of a three-dimensional index, composed of disposable median income, life expectancy at birth and the percentage of residents over 15 years old without a degree. The 2012 study was later extended to include a broader measure of well-being, the Index of Social Health (ISH), which weighs measures of income, poverty, education, health, employment, work conditions, housing and social links.

Finally, as part of its Better Life Index programme, the OECD has developed regional level indices. These Regional Better Life indices are measured across 11 facets – income, jobs, housing, health, access to services, environment, education, safety, civic engagement and governance, community, and life satisfaction. A score for each is calculated to allow comparison across both time and place. (see Figure 4).

CONCLUSIONS

Measurement is essential for informing policy and directing scarce resources where they can be of most value. However, the measurement tools at our disposal are often imprecise or inadequate. The drive to develop new ways of measuring our collective well-being, while being well advanced, has not gained the widespread recognition and adoption that needs to happen to ensure all aspects of well-being are considered. It is the responsibility of all stakeholders – citizens, academics, policymakers and politicians – to better understand these measures and advocate for their inclusion into the decision-making process.

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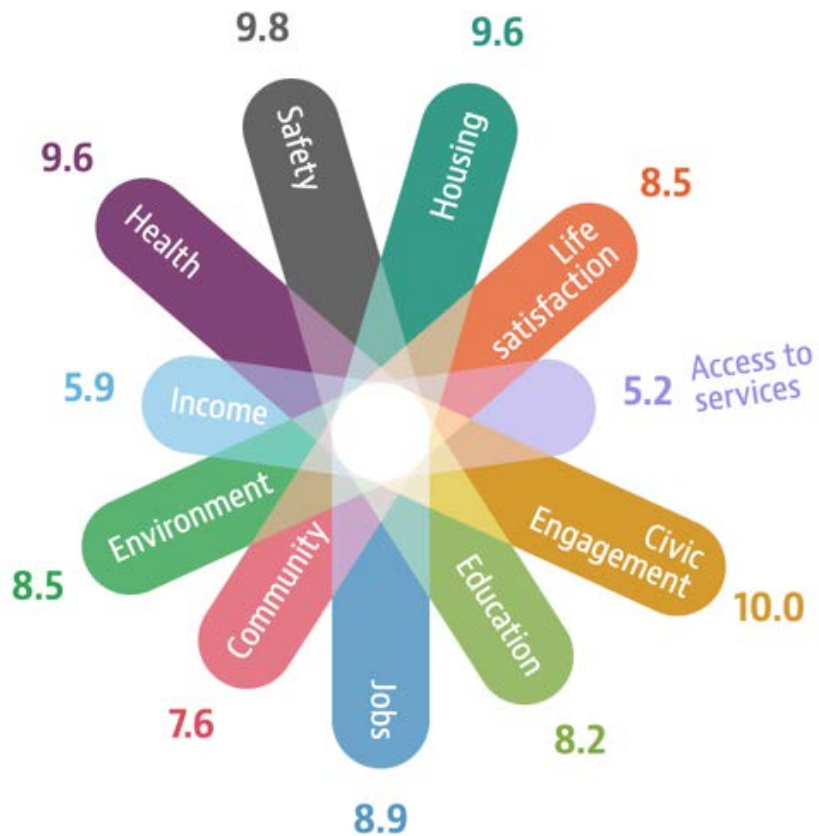
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Figure 4. Regional Well Being Indicators for Western Australia



Source: OECD <https://oecdregionalwellbeing.org/AU5.html>

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ABOUT THE AUTHOR



DR. SUSAN STONE



Dr Susan Stone is the Credit Union SA Chair of Economics at UniSA. In this capacity she undertakes research in the support of sustainable, equitable and resilient growth for the South Australian economy.

Dr Stone has extensive experience in developing policy support for economic development at the local, regional and global levels. This experience includes supporting business development, sustainable growth and long-term economic resiliency in the face of a fast-changing global landscape.

Prior to joining UniSA Business Dr Stone headed the Emerging Policy Issues Division at the Trade and Agriculture Directorate of the OECD. The work of the division focuses on issues relating developing sustainability in markets at the global level, the digital economy and international trade and the role of government subsidies in development.

Having joined the OECD as a Senior Trade Economist in 2009, she worked on a number of projects related to trade, including leading the team that developed the OECD METRO model, a computable general equilibrium model which provided policy support and guidance to member countries.

In 2015, Dr Stone was seconded to UN Economic and Social Commission for Asia and the Pacific (ESCAP) as Director, Trade, Investment and Innovation Division where she oversaw the implementation of the Commission's work programme in the areas of trade, investment, SME development, technology and technology transfer, and innovation.

Prior to joining the OECD, Dr Stone was a Senior Research Fellow at the Asian Development Bank Institute in Tokyo, a Research Manager at the Australian Productivity Commission in Melbourne and a Senior Analyst at the US Environmental Protection Agency in Washington DC. She also worked as a Financial Valuation Analyst in the private sector. Her work has been published as national and multinational government reports, edited volumes, and in peer-reviewed journals. A dual United States-Australian national, Dr Stone holds a PhD in Economics and a Master's Degree in Business and Finance, from Drexel University in Philadelphia, United States.



LEVERAGING IMPACT CAPITAL FOR SHARED PROSPERITY

A CHALLENGE FOR ECONOMIC DEVELOPMENT PROFESSIONALS

Mary Delahunty

I'm interested in the movement of money, I'm not sure when it began – I desperately hope I was not too young for this interest to be considered precocious! As the financial world ushers in the age of impact capital - investments that generate both financial returns and positive societal outcomes, I've seen so many interesting small-scale approaches that move money behind good intentions.

The Global Impact Investing Network (GIIN) estimated last year that the size of the worldwide impact investing market had grown to be worth USD 1.164 trillion.

There is no doubt that the movement of money behind impactful initiatives will change lives, but how do we ensure it changes systems for authentic impact? Desmond Tutu would challenge us to change our focus from pulling people out

of the river and go upstream to stop them falling in.

We need to take an impact lens to our current practices and resist the urge to sit impact initiatives as an appendix, an afterthought – or worse, something bright and shiny to distract from making no change to the allocation of capital at all.

As the 21st century battles increasingly complex global challenges, ranging from inequality and poverty to climate change and beyond, impact capital can serve as an instrumental tool in mitigating these issues while stimulating economic development.

The convergence of public interests and market-based solutions, when designed intentionally and delivered at scale has the potential to create genuine shared prosperity.

THE NEW PROVIDERS OF IMPACT CAPITAL

Driven by societal demand and evolving market dynamics, major financial players, including international pension and superannuation funds, are increasingly integrating impact initiatives into their investment strategies.

Pension funds, given their large asset bases and long-term investment horizons, are uniquely positioned to drive the impact investing space. Recognising this potential, many have started to allocate portions of their portfolios to investments beyond robust environmental, social, and governance (ESG) profiles and towards direct impact initiatives.

A prominent example is the Dutch pension fund ABP, one of the world's largest with more than 450 billion euros under

management. ABP has committed to invest 58 billion euros in sustainable and impact investments by 2025, with a focus on areas like renewable energy, clean technology, and sustainable development projects. This represents a significant portion of the fund's total assets, reflecting a strong commitment to integrating impact goals into its broader investment strategy.

Closer to home, Rest Superannuation fund has announced a target allocation of 1% of their \$67b portfolio will be directed to investments meeting their definition of impact.

While the move towards impact investing offers promising opportunities, it also presents challenges for pension funds – scale and market depth, performance metrics and risk assessment.

Despite these challenges, pioneers in this space are finding innovative solutions and proving that impact investments can provide competitive returns.

For instance, the California Public Employees' Retirement System (CalPERS), the largest pension fund in the U.S., adopted an Investment Beliefs policy in 2013. One of these beliefs states that "long-term value creation requires effective management of three forms of capital: financial, physical, and human." Guided by this belief, CalPERS has made significant impact investments in clean energy and sustainable real estate. Their ongoing efforts to quantify the long-term benefits of these investments provide valuable data that can encourage further participation in impact investing.

The attraction of investments with impact is likely to grow for providers of institutional capital. In Canada, for example, the Caisse de dépôt et placement du Québec (CDPQ), with net assets over 365 billion Canadian dollars, recently announced a target to increase its low-carbon assets by 50% by 2025. And the UK's National Employment Savings Trust (NEST), a workplace pension scheme provider, announced it would invest 1.2 billion pounds into private markets, including impact investments.

ACCESSING IMPACT CAPITAL

Impact capital symbolizes a profound pivot in investment theory, departing from the traditional perspective that saw social and environmental impact as secondary considerations or even incongruous to

financial returns. Instead, there's growing recognition that these elements can exist in harmony, mutually reinforcing each other. This has led to the evolution of investment philosophy towards "double bottom line" (profit and impact) and "triple bottom line" (profit, impact, and sustainability) investing.

How can economic development professionals use this shifting paradigm to capture investment capital for the projects that matter most to Australians? Mobilizing impact capital necessitates financial innovation, the creation of financial instruments and vehicles that allow investors to align their investments with their impact goals.

Products such as social impact bonds, green bonds, and development impact bonds can be designed to allow for the injection of private capital towards public good – and if done with the right approach to scale, these initiatives can create systemic change.

Mobilizing impact capital necessitates financial innovation, the creation of financial instruments and vehicles that allow investors to align their investments with their impact goals.

One of the pioneering examples of successful impact investing in Australia is the implementation of Social Benefit Bonds (SBBs). For example, the Newpin SBB, launched by Social Ventures Australia (SVA) and the New South Wales Government in 2013. The aim was to restore children in out-of-home care to their families or prevent children from entering care. As of June 2020, the bond had generated a 13.2% p.a. return for investors, significantly exceeding its initial target. The Newpin program had achieved a restoration rate of 63% overall, allowing 203 families to be reunited.

Design of financial instruments relies on clearly defined objectives, an understanding the local and global investment landscapes, measuring and

reporting the impact as well as managing the financial returns.

Adding to this is a consideration of scale. To achieve system change – which I think should be the focus of a contemporary impact approach, we need to think of scale as beyond replication.

Let's consider the Newpin SBB example, for the 203 families involved, this approach was life changing. Should we do it at scale? Absolutely. Does "scaling" the investment involve issuing another bond and helping another 200 families or can we aim higher?

For true impact the approach to family unification taken by the NSW Government as a whole should be changed based on the lessons learned. If the investment can pay dividends to shareholders, better serve families and benefit society broadly then I would argue it no longer be the domain of private capital instead the challenge becomes one for government to accept. That's real scale, because that's system change – it's up stream.

By aligning financial incentives with social and environmental goals, impact capital can transform the way we tackle our most pressing global challenges. As we move forward, it is our collective responsibility to ensure that this transformative potential is fully realized, setting a new course for sustainable, inclusive economic development.

ABOUT THE AUTHOR



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Mary is the founder and Managing Director of Seven Advisory, helping companies progress with purpose and impact. Previously Mary was the Head of Impact for HESTA a \$78B superannuation fund leading the responsible investment, government relations and CSR programs. She has held senior roles in financial services organisations for over 15 years and is passionate about authentic progressive capital delivering a better world for all. Mary is a 2015 Churchill Fellow awarded for the completion of international research on equity for women in pension systems. She is a current Board Member of The Emergency Services Telecommunication Authority (000), Victoria University, The McKell Institute and Emily's List Australia. Mary has served as the Chair of the Ministerial Advisory Council for Gender Equality in the State of Victoria and was a past Chair of Reclink Australia. Mary is a former Mayor, Deputy Mayor and elected Councillor for an inner-city municipality and holds a Master of Finance (Corporate Advisory).

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MEASURING THE VALUE OF HISTORIC TOURIST ATTRACTIONS

A CASE STUDY OF THE VICTOR HARBOR HORSE TRAM

Dr Laura Hodgson

The Victor Harbor Horse Tram (VHHT) is located in the coastal town of Victor Harbor, 90 minutes south of Adelaide. Victor Harbor is a popular family holiday and retirement location and has a resident population of approximately 15,000 (Economy ID 2019). The VHHT operates along a tram rail extending from Victor Harbor across the Granite Island Causeway (the Causeway) to Granite Island. The VHHT commenced operation as a passenger tram in 1894 until 1955, before returning to operation in 1986 (Bird, Wilson & Bunker 1999).

Today, the VHHT is an iconic and award winning, historic tourist attraction for the City of Victor Harbor (CVH) and is one of only two horse drawn trams in operation worldwide. The VHHT is the primary form of transport along the Causeway to Granite Island other than walking. A State Government funded Causeway, purpose built for the VHHT opened in December 2021, replacing the original Causeway to Granite Island.

The VHHT receives financial support from the CVH, allowing it to operate as an all-season tourist attraction. The VHHT is operated as a CVH subsidiary (section 42 of the Local Government Act 1999). Its daily operations are overseen by a General Manager; whilst its strategic operations are guided by the VHHT Authority Board. The VHHT currently employs four full time equivalent staff members, 13 trained drivers (employed casually), four volunteers and five Clydesdales, a further four horses in training.

The deteriorating condition of the original Causeway significantly impacted the VHHT's ability to operate, and other local businesses reported a downturn in trade. These challenges raised questions regarding the VHHT economic value to the region and its value as a historic tourist attraction.

The VHHT Board and management were highly motivated to reduce reliance on CVH funding and to demonstrate the

VHHT's value and potential for growth. Tourism, particularly cultural and historical tourism, including First Nations and colonial history, is becoming an increasingly important source of income for regional and rural communities (Gilbert 2006). Research, however, has emphasised economic benefits are not always clear (Torre & Scarborough 2017), finding that 'value is not synonymous with price' (Stoekli et al. 2011, p. 114).

The VHHT research was commissioned to investigate the economic and historic value of the VHHT and provide recommendations to enhance its value. First, a literature review was conducted to examine how different tourist attractions and events are valued in Australia and internationally. Studies conducted on permanent, seasonal and one time tourist attractions were investigated. This included reviewing existing methods for analysing the economic and social value of tourist attractions and government funded

facilities. Data collection and analysis were undertaken to measure the contributions of the VHHT to the Fleurieu Peninsula. This occurred through economic analysis, tourist surveys and interviews with key stakeholders.

METHODS AND RESULTS

This research used mixed qualitative and quantitative methods to address four research questions outlined below.

What is the economic value of the VHHT to Victor Harbor?

The literature revealed numerous methods available to research the economic benefit of tourist attractions or events (Janeczko, Mules & Ritchie 2002; Torre & Scarborough 2017). A commonly used, but data intensive, form of economic benefit research is a cost benefit analysis. Some research suggests varied approaches for measuring economic impact, such as an economic impact study (Janeczko, Mules & Ritchie 2002), can make use of limited data to assess additional visitor expenditure, resulting from an event or specific attraction and may include impact multipliers (Jones & Munday 2016; Torre & Scarborough 2017).

To understand the economic value of the VHHT, this research considered both the income directly generated by the VHHT, as well as the indirect economic benefits of the VHHT generated through visitor spend.

To estimate an economic contribution of the VHHT in one month, the following calculation was produced:

$$HT \times HV \times TS = HS$$

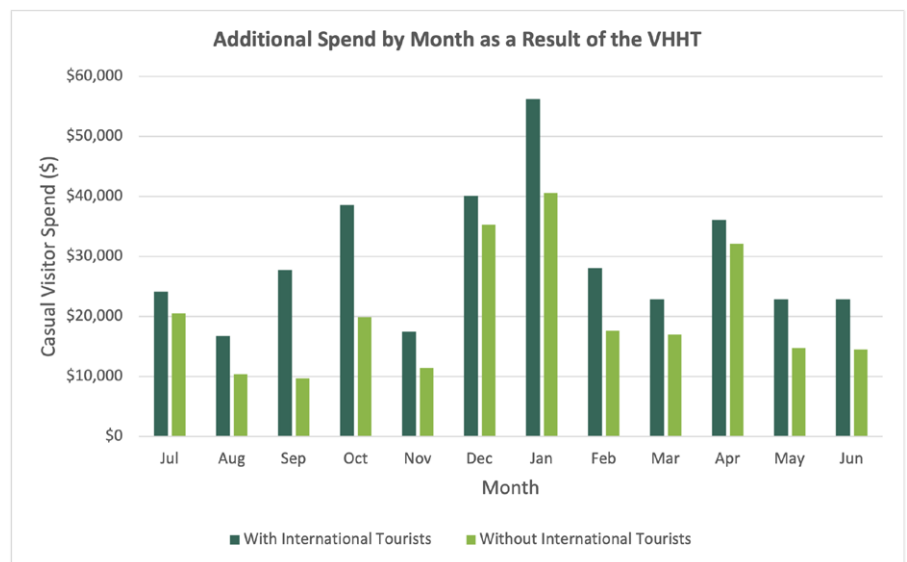
This equation uses the number of VHHT tickets sold in the month in question (HT=7,306) multiplied by the percentage of visitors specially visiting for the VHHT (HV=23%), multiplied by the estimated mid-level tourist spend (TS=\$15). The result produced is a conservative estimated spend in Victor Harbor as a result of the VHHT (HS) assuming just one day's spending per ticket holder for one month.

For the month of January 2020, an estimate of \$210,000 was attracted by the VHHT and spent in the local economy ($7306 \times 0.23 \times 125 = 210,000$). This is a conservative estimate as it is based on an approximate tourist day spend and only applies to passengers who visited Victor Harbor specifically for the VHHT.

Figure 1. VHHT Estimated Economic Spend



Figure 2. Additional Spend as a Result of the VHHT



To determine a monthly economic contribution of the VHHT across a financial year, ticket sales were first reviewed to determine the number of tickets sold in a typical month (for peak tourist and non-peak tourist periods) with and without international tourists (or before and after the onset of COVID-19). The calculation was then applied across an entire financial year to estimate the economic spend occurring as a result of the VHHT (see figure 1).

Next, the additional spend, resulting from unplanned rides on the VHHT was calculated. Unplanned rides on the VHHT, included all visitors who did not plan to ride on the VHHT or did not specify the VHHT as the reason for their visit to Victor Harbor but rode on the VHHT regardless. The choice to take part in a tourist activity, such as the VHHT, on arrival may lengthen

a visitor's stay and subsequently increase the tourist spend in the area. This is generally referred to as additionality.

To estimate additionality, the following calculation was used:

$$HT \times V \times \$10 = VAS$$

This equation uses the number of VHHT tickets sold (HT) multiplied by the percentage of visitors who did not specify the VHHT as the reason for their visit (V). This is then multiplied by \$10, being an estimate of the additional spend of undertaking a tourist activity and spending more time and money in Victor Harbor. This produced a conservative additional estimated spend in Victor Harbor, resulting from an unplanned ride on the VHHT (VAS) (see figure 2).

As a result of tourists visiting Victor Harbour for the VHHT, the estimated yearly range of economic contribution of the VHHT is \$910,139 to \$1,321,436. There is an additional economic contribution of \$243,759 to \$353,915, by those visitors who take an unplanned ride on the VHHT. This amounts to an estimated \$1,153,898 to \$1,675,351 spent in the local Victor Harbor economy annually, attributed to the VHHT and having flow on effects (supply chain etc.) throughout South Australia.

Considering the investment made by the CVH of \$415,400 for the 2020/2021 financial year, these figures represent a one to four return for the CVH.

What is the historic value of the VHHT to Victor Harbor?

This question considered the VHHT as a historic or heritage icon to the Victor Harbor and South Australia more broadly. To better understand the historic value of the VHHT, peer reviewed and grey literature on topics considering historic, cultural and heritage assets and their significance was reviewed. The reviewed research highlighted the conflicts surrounding the placing of a monetary value on items many consider 'priceless' (Ferri, Sidaway & Carnegie 2021). Australian research found tourists visiting built heritage attractions, typically spent more (TTF 2017) and operational replicas, such as Sovereign Hill, generated significant value as a historic and cultural experience to the Victorian economy (EY 2017). Therefore, the heritage nature of an attraction is likely to generate more value and may be valued more highly as an attraction.

While cultural heritage preservation was a key factor listed as contributing to the non-economic value of Sovereign Hill (EY 2017), other research has criticised the use of local government funding to support 'non-viable community owned heritage tourist attraction' in order to preserve a cultural asset (McKercher 2001, p. 29). McKercher's (2001) research found that government must be mindful of the nature of tourism and physical environment to determine the fit of the attraction and ensure it aligns with the long-term strategic planning of the region. The VHHT forms part of a historic tourism cluster with the SteamRanger Heritage Railway, Oscar Wilde Paddle Boat and National Heritage Trust all operating in the Fleurieu Peninsula. When operating cooperatively, heritage clusters are found to benefit each other and the local economy (Lade 2006).

Additionally, though the VHHT carriages are replicas, they operate on one of Australia's oldest public railways, therefore the VHHT holds historic significance both as an in situ and replica attraction.

The research on heritage value demonstrates the VHHT has the potential to be of great historic significance to Australia as an operational, in situ, historic attraction if appropriately documented and cared for.

What is the value of the VHHT from the perspective of tourists visiting Victor Harbor?

This question used data collected from 208, five-minute surveys of visitors in the vicinity of the VHHT platforms on the mainland and Granite Island. Surveys

were used to understand the value of the VHHT from the visitor's perspective. Of the visitors surveyed only 22% had never ridden on the VHHT.

What is the value of the VHHT from the perspective of key stakeholders within Victor Harbor and the region more broadly?

This question used information gathered through 19 semi-structured, in-depth interviews with key stakeholders. Interviews included questions on the value of the VHHT in the CVH and more broadly to gain a better understanding of the community, tourist, and business contexts. Key stakeholders were invited to participate in an interview included those within and external to CVH, for example, community members; business owners, accommodation providers, local chamber of commerce, government; local government, VHHT, South Australian Tourism Commission and regional organisations; Regional Development Australia, Fleurieu Tourism.

DISCUSSION: SURVEY AND INTERVIEW RESULTS

Analysis of surveys and interviews found the VHHT to be an important part of the identity of the CVH. The surveys also uncovered helpful feedback and opportunities for the VHHT to consider. For example, participant feedback indicated the need for additional information to be made available on the VHHT and the areas, including Granite Island. Since this research has been conducted, the VHHT has invested in renovations to its offices and customer service, which has helped address this.

In several interviews, the inappropriate management of Granite Island under the National Parks and Wildlife Service was highlighted. It was observed that many tourists journeyed to Granite Island only to immediately return to the mainland on the next available VHHT. A Granite Island Masterplan is currently being prepared and is expected to revitalise the Island and enhance the overall Horse Tram experience.

Feedback from surveys and interviews also suggested an appetite for VHHT drivers to deliver a verbal tour presentation rather than the VHHT functioning as a pure form of transport. While the drivers were praised for their friendliness, care of the horses and ability to answer questions posed, an opportunity to increase the value



of the VHHT through providing a more holistic tourist experience was identified. By providing a higher level of service a greater economic return is likely to be generated (Beer & Clower 2020).

Of the numerous opportunities presented in the interviews for the VHHT and CVH as a town, the biggest opportunity identified was the construction of the new Causeway. Since its completion, the new Causeway has facilitated a more reliable service for more passengers and group bookings. Investment by the state government in the Causeway was identified by interview participants to have revitalised interest in the region and resulted in more attention and funding being allocated to Victor Harbor and Granite Island.

A number of participants reported the value of the VHHT in providing a demonstration of animals at work. People have shared history working with horses, and the operation of the VHHT shows Clydesdales in their element. Other survey participants raised concerns regarding the treatment of the horses. Many had questions, which was addressed in some of the signage around the VHHT yards, but these were not always read. A brief introduction to the Clydesdales and their work at the start of each tram ride may help improve these perceptions for the VHHT. Tourist interest in the Clydesdales and their work provides support for behind-the-scenes experiences, planned as part of the VHHT's new stable complex. Over half of the survey participants said they would be interested spending time with the horses at their stables. One interview participant summarised this well in stating, 'Public are generally torn over the historical significance, and the 'animals on show' factor...A drive to ensure that the horse tram is more than just Clydesdales towing people across a Causeway is vital'.

Increased collaboration and community involvement, as suggested in stakeholder interviews, is under consideration by the VHHT Authority. As a CVH subsidiary and long-term tourism asset, the VHHT has the potential to provide additional value to Victor Harbor as a leader in the tourism and business communities.

CONCLUSION

Through discussions with VHHT management, key stakeholder interviews and tourist surveys it can be determined

that the VHHT is highly valued and has numerous value-add opportunities as a tourist attraction and contributor to economic activity in Victor Harbor. For example, the VHHT provides a significant economic contribution to Victor Harbor, estimated to be between \$1,153,898 and \$1,675,351 per year, despite the challenging circumstances caused by a deteriorating Causeway and COVID-19. Ticket sales, post-COVID-19 and since the opening of the new Causeway, have continued to grow, demonstrating increased capacity for the VHHT to add value to the local economy.

Also important is the value the VHHT holds as an iconic historic tourist attraction. The VHHT and its journey to Granite Island a novelty, operating on one of Australia's longest running railways to connect multiple tourist attractions, including free entry to Granite Island Recreation Park. The VHHT is considered iconic to the region and is one of several historic and heritage tourist attractions which form a unique heritage trail.

Finally, the importance and pride in the VHHT, as an asset of Victor Harbor, were expressed throughout the interviews and surveys, especially from those who were local to South Australia and enjoyed seeing the VHHT continue to operate, 'The horse tram is part of our history, our culture, it is part of nature and the connection with Granite Island'.

The VHHT has the opportunity to take a historic attraction and modernise the way it provides its service. The VHHT can add further value add through an expansion of offerings, including a range of behind-the-scenes experiences at the new stable complex to share the history of the VHHT and Clydesdales. To fully realise its value as a historic attraction, it is crucial for the VHHT to consider the services it provides on the Causeway as more than transport and to operate as a full tourist experience.

To read the complete report visit <http://horsedrawntram.com.au/about/victor-harbor-horse-tram-authority/>.

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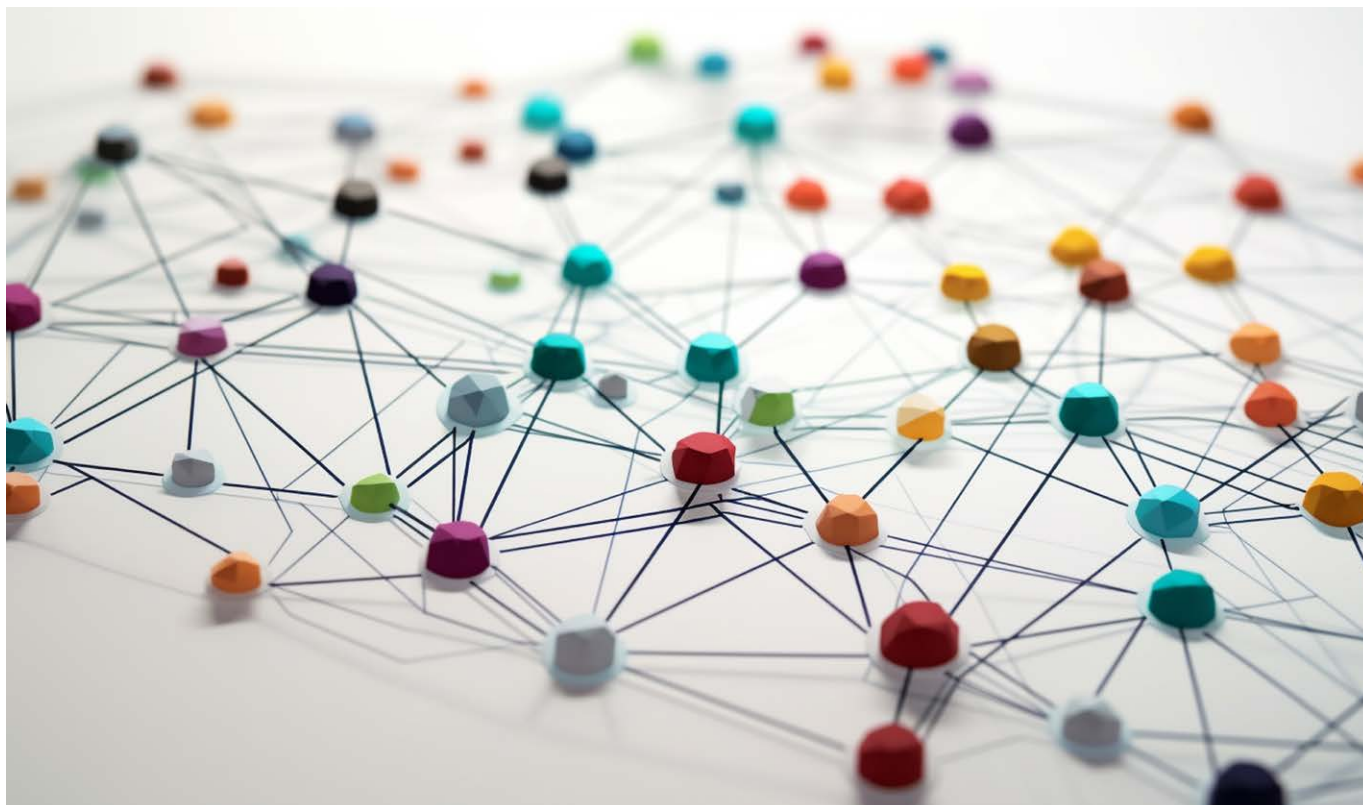
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Laura is the Principal Economic Advisor at the City of Adelaide where she provides economic advice and research across all of Council. Laura's current projects include housing and growth, greening the economy, night-time economy and the development of a new economic policy and strategy. Laura also contributes to City of Adelaide's strategic projects including the City Plan. Laura is an experienced researcher having completed her PhD research at the University of South Australia on the impact of Airbnb on metropolitan and non-metropolitan housing markets in Australia. As both an academic and practitioner Laura has worked on numerous projects specialising in transdisciplinary research topics impacting local government, including, housing, Airbnb, economic development, tourism, big data and the workforce.



COULD MICRO PRECINCTS BOOST REGIONAL VITALITY?

Robert Prestipino

Encouraging infrastructure development and business investment that strengthens regional communities is the holy grail of economic development. But we often lament the poor outcomes delivered in pursuit of this worthy goal. For too many regional communities our initiatives unfortunately reinforce the cynical assumptions that the original vision was misleading if not a lie. Not an intentional lie but one of lost opportunity due to poor leadership and implementation. How often have you been genuinely excited about the latest local development as compared to feeling a lukewarm disinterest if not disdain for the latest improvement project completed in your region?

Our intent is to make things better. But our implementation often makes things worse. This is most apparent and often disastrous for regional communities when dealing with built projects and physical infrastructure. But when intent and implementation align, great things can happen and you can create long

term catalysts for growth. Imagine if new investment and infrastructure consistently provided a legacy of new employment and local vitality. Micro Precincts could be the secret to boosting regional vitality.

WHY MICRO PRECINCTS?

Over a 25 year design journey of collaborating on place-based revitalisation projects the notion of clusters, hubs and precincts often appear as a common catalyst in many local economic development initiatives. The more regional the project, the more significant these places of concentrated activity become. The teasing question is: How small can a precinct be and still be effective and financially viable? And would this provide a new tool for rural and remote regional communities.

WHAT IS A MICRO PRECINCT?

Creating a Micro Precinct is a value guided design process creating a lifestyle brand that attracts new enterprise helping to transition local values into new jobs.

In Urban Planning the term precinct is often used to describe a defined area that exhibits distinct characteristics or functions. A micro precinct is an attempt to plan smaller to gain more leverage. Going micro forces you to break silos and develop ideas that have stronger connections to strengthen the business case. Micro Precincts challenge project governance and traditional business case metrics.

THE ROLE OF MICRO PRECINCTS IN PLACE EXPERIENCE

Having worked early in my design career on many streetscape strategies and individual streetscape projects it was always very useful to use the urban design principles of nodes and links to map and understand the fundamental structure of places. Generally, nodes are points of concentration and links are movement corridors connecting the nodes. It is basically the design thinking reflection of system thinking's framework of objects and relationships.

Nodes and links are also a useful tool in understanding existing urban form and testing ideas for improvements. Although nodes and links are totally co-dependent, the real value is provided by the nodes. Links tend to facilitate the level of node activity. In this sense the cluster, hub or precinct provides the gravitas of the improvement project. Nodes create places whereas links move through places.

In regional communities, where change is sought to strengthen local lifestyle and encourage new economic activity the development of improved/new nodes are more important than links. In the sense that nodes drive the need for links whereas links don't necessarily create nodes. Improved links can cut through and bypass regional places.

When resources are limited, the smartest thing to do is focus on creating better nodes and for regional communities, particularly those outside regional cities micro precincts could be the best option.

CREATING PLACE-BASED PROJECT IDEAS

After facilitating hundreds of stakeholder design workshops seeking to identify catalyst projects for sustainable economic revitalisation, I have found the simplest way to test ideas is to use an ideation process that synergises place, values, and trends with a measure of significance.



- **Place:** In a design sense, place is the physical form and attributes. Every place is different and provides a unique footprint as the design canvas for the project.
- **Values:** Values reflect the aspirations and meanings held by the local community. These aspirations can often be broadly grouped into the categories of Business, Health, Education and Lifestyle.

- **Trends:** Trends are the internal and external forces of change that that can't be ignored such as trends in the market, technology, environment and demographics. These must be acknowledged in the project ideation process.
- **Significance:** Significance is critical to the business case because there is no way to build cheap infrastructure. The project idea requires regional significance to strengthen the ROI for regional projects. It requires looking outwards to identify a bigger role in the region. The role may be to do with research and transferrable learnings. It might be about supplementing a bigger region employment base or enabling better services to be provided further into the region. Often the role is hidden or invisible to the local community.

The combination of these four areas creates the framework for creating ideas that facilitate change that grows and strengthens the local community.

EIGHT REGENERATIVE PLACE PRINCIPLES

From a project design perspective, developing a micro precinct concept can benefit from using the following eight principles to enhance ideation. These triggers can highlight additional layers that may be advantageous to weave into the built environment to further catalyse regenerative outcomes:

- **Water Cycles:** Where is the water travelling on your site? How can you leverage its value within your micro precinct?
- **Nutrient Loops:** Will the micro precinct create waste that can be used on site and add value to other micro businesses or community assets?
- **Energy Systems:** Can your micro precinct be energy independent? Is there value in sharing energy generation between businesses within your precinct?
- **New Employment:** What new micro businesses can your precinct support. Are you leveraging the market trends in micro business?
- **Integrated Enterprises:** Can you create micro business opportunities that

leverage off other businesses in your precinct? Will some micro businesses provide/attract complimentary enterprise opportunities?

- **Community Lifestyle:** Does the precinct mix support and enhance local values and identity? Are there unique local characteristic that your precinct can strengthen?
- **Enterprise Education:** Can your micro precinct provide on site training? Is there a way to accelerate the micro business learnings to help build regional skills and capacity?
- **Research Demonstration:** Can your precinct provide a working demonstration of innovative micro businesses? Will the precinct be attractive to research institutions seeking practical projects to allow market driven research opportunities?

FOUR KEY MICRO PRECINCTS THEMES

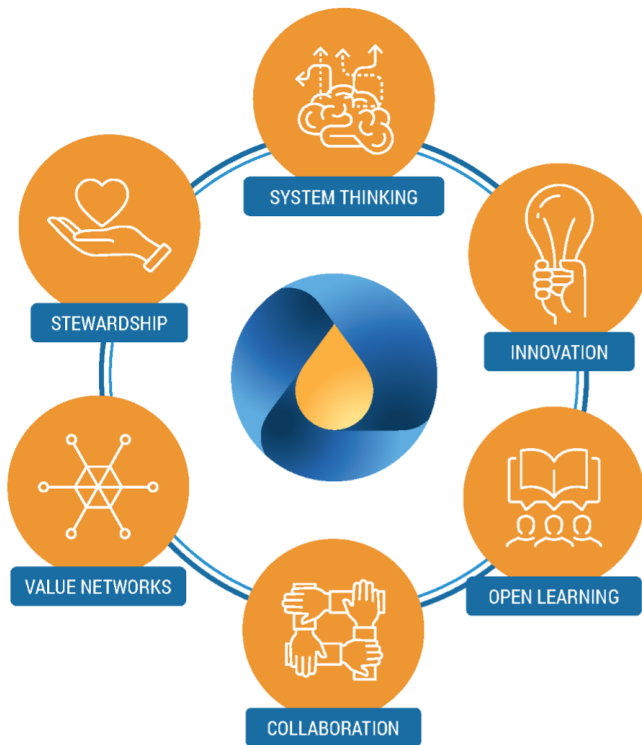
The following four themes can help tease out new and innovative project ideas at the precinct scale.

Place Value to Market Value: A key Micro Precinct Goal is to take identified place values and transform them into market value. It's place-based and values driven. The best project will support growth that strengthens local lifestyle. Not an easy challenge but an important one.

High Value Low Volume: Another non-traditional goal for regional areas is to seek out enterprise opportunities that are high value and low volume. Our challenge is to find business opportunities that recognise the challenge of rural and remote locations and their lack of easy access to large markets. What new enterprise can challenge traditional commodity thinking of low value, high volume and long distance transport.

Regenerative Enterprise: The important characteristic of regenerative enterprise is its capacity to be deeply connected into a network of businesses within the micro precinct. These connections are more nested rather than networked. Nesting enterprise is more a three dimensional web of connection rather than a two dimensional site planning network of nodes and links. It focuses on identifying waste value chains and other untapped synergies.

Regenerative Enterprise



Building on the principles of designing out waste, regenerating natural systems and keeping products and materials in use an effective micro precinct needs to nurture enterprise activity that leverages:

- **System Thinking:** Exploring the potential relationships of micro enterprises within the precinct. How might potential relationships be leveraged to increase enterprise viability.
- **Innovation:** Embracing the opportunity of market trends to support new enterprise. Can we think outside the box.
- **Open Learning:** Commit to sharing knowledge. Can we design learning and sharing into the business model.
- **Collaboration:** Be genuine about business synergy. What are market opportunities for micro business to develop collaborative enterprise models where everyone wins.
- **Value Networks:** One micro business waste can often be another micro business opportunity. Are there new enterprise opportunities nurtured by waste value streams that have traditionally been ignored.

- **Stewardship:** Does the micro precinct help build a better future? Does the enterprise mix support the long term aspirations of the community within the sustainable capacity of the natural environment?

NEW (Nutrients, Energy, Water) waste value chains: Micro Precincts can enhance their financial viability by embracing the NEW waste value chains. The three areas of nutrients, energy, and water provide an opportunity to be creatively recaptured, reconstituted and reused in an integrated network of micro precinct enterprise activities.

Re-thinking about nutrients, energy and water can provide new enterprise opportunities that capture value in areas that have been traditionally marginal or not normally viable and tip them across the line to be viable micro enterprises that can sustain themselves. There are interesting opportunities in this space with technology and market trends that's evolving every day.

OUTBACK MICRO PRECINCT CASE STUDY

Recently there was an opportunity to test micro precinct thinking in a semi-

arid outback township in southwestern Queensland. Quilpie Shire Council was interested in an out of the box approach to potential use of a parcel of land within the town of Quilpie.

The Quilpie Shire is located in South-West Queensland, approximately 1,000 kilometres west of Brisbane. Quilpie Shire has a population of 790, of which 654 reside in the town of Quilpie.

Like most rural and remote locations, Quilpie Shire is suffering population decline and limited employment opportunities. The Shire's population has been in steady decline since 2011, falling 18.7% since this time. At the same time, the local economy is heavily reliant upon agriculture, with 27.8% of the local workforce engaged in this sector. Although recent rains have improved local conditions, recent drought conditions have created an economic environment of decline, which has contributed to the population decline. The region's declining population and reliance on the agricultural sector for employment opportunities is a key driver for Council to consistently seek new ideas to diversify the local economy.

The relocation of Council's depot from the centre of town provided a unique opportunity. Lead by the Council, the community of Quilpie Shire saw a rare opportunity to explore an innovative approach to the re-development of the 3.9 ha depot site.

Council was keen for an idea that would deliver new employment outcomes rather than just another park master plan that would add to the Council's asset management costs.

The vision was to strengthen local values, deliver new public amenity and attract new business in the most cost-effective way possible.

The challenge of this project was to identify and understand the place-based values and develop an appropriate theme that could attract new enterprise. After extensive values consultation, the economic development theme of Outback Water provided a focus to search and test potential enterprise opportunities.

Setting a best practice benchmark for the project ensured that all ideas would be worthy of research and learning outcomes.



Concept Image of Quilpie Wellspring Micro Precinct

This proactive positioning by Council enabled a network of conversations with potential agencies and institutions to reveal unforeseen collaboration opportunities.

MICRO PRECINCT CONCEPT

Using a best practice application of regenerative principles, a vision for a new micro precinct called Quilpie Wellspring was envisaged on the 3.9ha site in the heart of Quilpie. A mixed-use precinct was proposed as a five-stage project with stage one being three new enterprises providing solar distilled water from the Great Artesian Basin, local craft beer and fresh aquaponics produce of local fish and vegetables with supporting arid food forest, ecological lagoon, and public open space.

Quilpie Wellspring's economic viability is underpinned by an innovative approach to the micro application of new technologies to leverage production and operational savings through on site energy generation, water recycling and organic nutrient capture and reuse.

A detailed financial feasibility analysis was undertaken that proved the financial viability of the craft brewery and aquaponics facility. There was also interest expressed from the private sector to operate these facilities.

The employment and family flow on effects would deliver 37 new residents to the township of Quilpie potentially reducing projected population decline by 25%.

A key goal of the project was to provide skills and training opportunities, university partnerships and transferable learnings for other rural and remote communities to

increase employment, skills, health, and wellbeing. The project vision proposed Quilpie Wellspring as a hub for rural and remote communities to learn and share the latest micro enterprise thinking and technology through practical application specifically tailored for Outback Australia.

PROJECT REFLECTIONS

The challenge of economic transition in regional communities often leads to a loss of identity and lifestyle. Local leaders and economic development professionals face the difficult task of finding solutions that go beyond simple business expansion. While larger urban centres naturally strengthen themselves through market concentration, rural and remote communities face more complex options.

Concept development benefits from a process that begins with a values-based workshop for local leaders, providing a platform for generating ideas regarding potential enterprises that align with the unique assets of rural and remote locations. Authenticity and entrepreneurial opportunity are key factors in this concept development process.

Establishing ideas of regional significance requires engaging in numerous city-based meetings to identify potential strategic partners and align policies. External research into business models and government programs, supported by the local council, further strengthens the project's feasibility.

Regenerative principles serve as the driving force behind viable micro enterprises. Recognizing the commercial advantages of waste value chains and shared resources is critical in identifying economic development opportunities.

Merely adopting a network thinking approach is not sufficient; instead, the aim is to develop "nested networks" where businesses exist within spatial clusters, with strong links in energy, water, and waste value. This creates a cohesive and immersive place experience for visitors.

There is value in seeing tourism as the natural outcome of authentic place-based enterprise rather than a goal in itself. This entails seeking out opportunities for high-value, low-volume enterprises that are at the forefront of new trends.

Thought must be given to new financing and governance models to ensure long-term viability. Impact investing and crowdfunding have the potential to provide private partnerships that government programs now consider essential for catalysing infrastructure projects. This necessitates further innovation and adaptation to meet the specific needs of rural and remote government investment.

TWO SIMPLE BUT CRITICAL TRUTHS FOR MICRO PRECINCTS

Although there are far too many nuances to developing a micro precinct concept that could be covered in this article, decades of project experience have consistently proven that place-based development success is driven by two simple truths.

- 1. Integrated delivery and organisational leadership = Leveraged opportunities**
- 2. Siloed delivery and / or disengaged leadership = Lost opportunity**

For regional communities and those that are passionate about their future, avoiding lost opportunity maybe be simpler than you think.

ABOUT THE AUTHOR

ROBERT PRESTIPINO



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PLACEMAKING REGIONAL ECONOMIC DEVELOPMENT AND CHALLENGES

USING ANALYTIC HIERARCHY PROCESS

Author: Dr Safdar Khan; Co-authors: Dr Alexandra (Ali) Bec, Alicia Liu – City of Gold Coast

ABSTRACT

Placemaking in economic development involves transforming physical spaces to enhance economic vitality, attract investment, and foster sustainable growth. This study aimed to identify the factors influencing businesses in Gold Coast precincts for placemaking purposes. The findings highlighted the importance of domestic and international visitors' demand as primary drivers for businesses. Commercialisation of the beaches and addressing outdated public investment were also important factors. Aligning strategies with market demands, optimising beachfront activities, and addressing public investment are crucial for business sustainability. The study employed the Analytical Hierarchy Process (AHP), aggregating expert responses using the geometric mean method. Data analysis facilitated calculations of priority vectors and consistency tests to ensure a comprehensive and reliable decision-making assessment.

INTRODUCTION

Placemaking in economic development involves cooperatively shaping or renovating physical environments to enhance economic vitality, entice investment, and cultivate sustainable economic advancement (Smith et al., 2018; Jackson & Herrington, 2019). The concept relates to the process of formulating and implementing strategies for the purpose of enhancing economic productivity and the general well-being of individuals residing in or visiting public spaces, neighbourhoods, or districts.

Mixed-use developments are central to placemaking as they integrate diverse land uses, including residential, commercial, retail, and recreational areas. These developments create vibrant and diverse environments that attract businesses, residents, and tourists, fostering economic activity and a sense of community (Florida & Mellander, 2019). Additionally, placemaking prioritises the creation of pedestrian-friendly environments with interconnected pathways, designated bicycle lanes, and accessible public

transportation alternatives. Enhancing walkability and accessibility enables convenient access to businesses, services, and amenities, promoting local commerce and contributing to economic vitality (Carr, Francis, Rivlin, & Stone, 1992).

Placemaking aims to activate public spaces by incorporating amenities such as parks, plazas, public art, and gathering areas. According to Project for Public Spaces (2020), these spaces serve as central hubs for community

events, cultural activities, and public programming, thereby attracting visitors and creating opportunities for local businesses to prosper. Moreover, placemaking aims to establish environments with a strong sense of identity, distinctive characteristics, and unparalleled resources. Localities can effectively distinguish themselves and draw in investment, tourism, and business prospects by leveraging their unique heritage, cultural assets, natural characteristics, or architectural elements (Montgomery, 2020).

Active involvement and collaboration with the local community and other relevant stakeholders at all stages are crucial for successful placemaking. Engaging stakeholders throughout the planning and execution stages ensures that development aligns with their needs, aspirations and values. When stakeholders, particularly the community, have a sense of ownership and pride in their immediate environment, they are more inclined to contribute to and endorse local economic development initiatives (Sadler, 2013).

In addition, placemaking puts emphasis on the implementation of sustainable development practices, encompassing aspects such as energy efficiency, green infrastructure, and promotes environmental stewardship. Through the integration of sustainable design principles, developments have the potential to decrease operational expenses, appeal to environmentally aware enterprises, and make a positive contribution to both long-term economic and environmental sustainability (Barton et al., 2003; Gehl, 2010).

EXAMPLES OF SUCCESSFUL PLACEMAKING PROJECTS—GOLD COAST

Gold Coast has seen several successful placemaking initiatives that have revitalised public spaces, fostered community engagement, and enhanced the city's cultural and recreational offerings. Through thoughtful design, community involvement, and a focus on creating vibrant and accessible environments, these projects have contributed to the overall liveability and attractiveness of the Gold Coast. Examples of projects include:

Broadbeach: has been transformed into a thriving urban precinct through pedestrian-friendly spaces, landscaped gardens, and outdoor seating areas. The mix of retail shops, cafes, and restaurants, as well as regular events and markets create a lively atmosphere and sense of community.

Surfers Paradise Foreshore: The Surfers Paradise Foreshore redevelopment project has significantly enhanced the public realm with a new beachfront park, interactive water features, public art installations, and improved pedestrian and cycling pathways. The area has transformed into a more attractive and accessible space connecting between the city with its iconic beachfront.

Home of the Arts (HOTA): The HOTA has become a cultural hub for artistic and cultural activities, offering an outdoor stage, amphitheatre, gallery spaces, and a parkland area for community events. Its exhibitions, performances, and events have contributed to the city's creative identity and diverse entertainment options.

Burleigh Heads Village: Placemaking initiatives have enhanced its unique village character of Burleigh Heads. The area features a mix of boutique shops, cafes, and restaurants, along with public art and green spaces, creating a vibrant and walkable retail precinct for locals and visitors.

In post-pandemic placemaking, several factors play a significant role in shaping the success and outcomes of the initiatives. Post-pandemic placemaking requires a comprehensive approach that considers the following factors:

1. Competition and Demand:

Understanding and analysing market dynamics, competition (from other suburbs or precincts), consumer demand/preferences, and market gaps is vital for effective placemaking, attracting visitors, businesses, and investment.

2. Social and Pandemic Considerations:

Placemaking should address social needs and considerations, including ongoing pandemic impacts by prioritising health and safety. Placemaking efforts can also focus on social cohesion, community well-being, and supporting local businesses affected by the pandemic.

3. Capacity and Infrastructure: Assessing the existing infrastructure, such as transportation, parking, utilities, and public space, is crucial to accommodate increased demand and support growth.

4. City Reputation and Future Vision:

Placemaking efforts should align with the city's future vision and brand identity, cultural heritage, and unique features, to maintain its reputation and attract visitors and businesses.

5. Domestic and International Visitor Spend:

Placemaking can encourage visitor spending by creating appealing and vibrant places and offering diverse experiences, supporting local businesses and generating economic growth.

6. Competing Suburbs/Precincts:

Placemaking initiatives may face competition from neighbouring suburbs or precincts. Understanding the precinct and competitor strengths and weaknesses helps develop unique selling points and differentiate the placemaking offerings to attract visitors and investment.



7. Outdated Private and Public

Investment: Obsolete private and public investments can hinder placemaking efforts. Updating private investment through innovative financing models and encouraging public investment in infrastructure upgrades and amenities are essential for successful post-pandemic placemaking.

8. Regulatory Considerations: Adapting regulations to facilitate innovative placemaking projects, streamlining approval processes, and providing regulatory support can encourage private investment and assist placemaking visions.

9. Commercialisation of Beach:

Placemaking should balance commercialisation of beach areas with environmental preservation, sustainable tourism, and local communities' access, and local business competition.

10. Local Pride/Identity and Future Vision:

Involving local communities, valuing their input, and fostering a sense of ownership ensures placemaking aligns with local values, identity, and future vision.

Conceptual framework: The above discussion suggests a hierarchal model. The hierarchal model is composed of 3 levels as depicted in Figure 1. The first level is objective of the study. Level 2 consists of 4 different main categories of challenges. Level 3 comprises of a list of 10 different factors, have been discussed as the significant challenges in the existing surveys, reports, and other literature.

This study conducted a targeted industry engagement survey to gather insights from local businesses in the visitor economy sector, aiming to identify key problems and challenges they face. The Analytic Hierarchy Process (AHP) technique was used to ensure objectivity in prioritising these issues and proposing solutions. The AHP technique allows for the collection of individual preferences, thereby minimising subjectivity and providing a comprehensive assessment of each challenge. The following section provides a brief overview of the AHP technique, methodology, analysis, and study conclusions.

ANALYTICAL HIERARCHY PROCESS (AHP)

The Analytical Hierarchy Process (AHP) is a popular method used in multi-criteria decision making (MCDM) situations. The AHP technique involves structuring the decision problem in a hierarchical manner, where criteria are organised into different levels. The top level defines the overarching goal or objective, representing the aim of the decision-maker. The next level consists of main challenge categories, which are criteria for evaluation. These categories represent the key factors or dimensions to consider in the decision-making process. Within each main category, there are sub-criteria that break down the challenges into specific aspects related to the overall evaluation. The hierarchical structure allows for a systematic and organised decision-making approach.

In the AHP technique, numerical values or weights are assigned to each level and element of the hierarchy, reflecting their relative importance. Decision-makers compare alternatives against each criterion, considering their significance. By synthesising the evaluations and priorities, the AHP provides a comprehensive assessment, generating rankings to determine the most suitable alternative.

Overall, the AHP technique offers a structured and systematic approach to decision making, assisting decision-makers make informed choices in complex situations.

RESULTS AND CONCLUSION

The responses obtained from the industry expert respondents regarding the pairwise comparisons of different factors and sub-factors were aggregated using the geometric mean method. This method allowed for the calculation of group judgments for each entry in the comparison matrices. By considering the opinions and preferences of multiple experts, a collective assessment was achieved.

MS Excel was used to analyse the collected data and derive meaningful insights. The comparison matrices, weights (or priority vectors), and consistency tests for all the main factors of the hierarchical model were documented and presented in a table. This table served as a visual representation of the experts' assessments and the resulting outcomes of the AHP analysis.

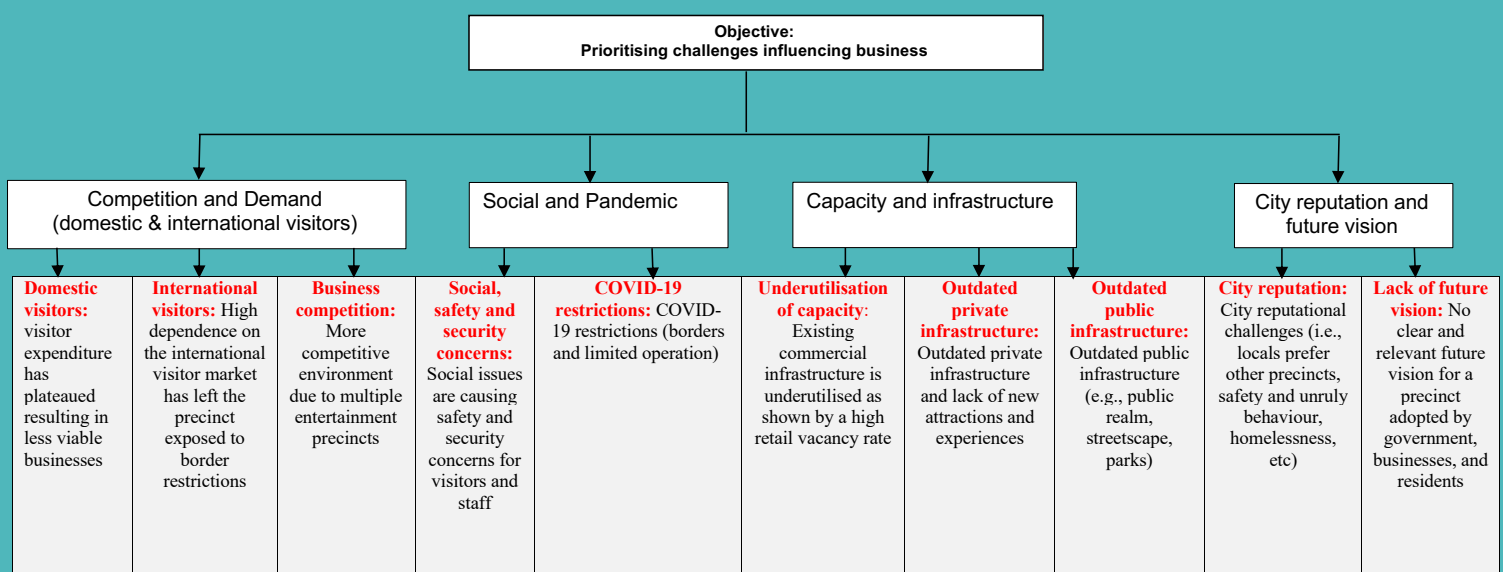


Figure 1: A Conceptual Framework of Placemaking Challenges

Table 1: Analysis of main factors

Challenges	Domestic visitor spends	International visitor spends	Newer & trendier suburbs	Land banking	Formalities	Public investment	Lack of attractions	Local pride	Future vision	Weights	Consistency Test
Domestic visitor spends	1	1.87	2.38	1.95	2.19	1.77	1.67	1.95	2.07	0.19	$\lambda_{max} = 9.10$ $CI = 0.01$ $RI = 0.90$ $CR = 0.01 < 0.1$
International visitor spends	0.53	1	1.84	1.74	1.95	1.49	1.57	1.49	1.49	0.15	
Competing suburbs/precincts	0.42	0.54	1	1.10	1.15	0.89	0.89	0.84	0.89	0.09	
Outdated private investment	0.51	0.58	0.91	1	1.51	0.82	0.70	0.77	0.91	0.09	
Regulatory	0.46	0.51	0.87	0.66	1	0.60	0.51	0.62	0.70	0.07	
Outdated public investment	0.57	0.67	1.12	1.22	1.67	1	1.29	1.43	1.06	0.11	
Commercialisation of beach	0.60	0.64	1.12	1.43	1.95	0.77	1	1.35	1.43	0.11	
Local pride/identity	0.51	0.67	1.19	1.29	1.60	0.70	0.74	1	1.29	0.10	
Future vision	0.48	0.67	1.12	1.10	1.43	0.94	0.70	0.77	1	0.09	

Notes: As can be observed from above Table, the values for CR are less than 0.1 which indicate that all the comparison matrices are consistent. The local and global weights (priorities) of all the main factors are depicted in Table.

The comparison matrices captured the relative importance of factors and sub-factors by allowing pairwise comparisons. Priority vectors assigned weights to each factor, indicating their respective significance in the decision-making process. Consistency tests were conducted to ensure the reliability of the experts' judgments the validity of the results. The findings presented in Table 1 and Figure 2 highlight the relative importance of various main factors that influence businesses in the precinct.

The results indicate that domestic/local demand holds the highest significance, followed by international demand, commercialisation of the beach, outdated public investment, local pride/identity, future vision, competing suburbs, outdated private investment, and other regulatory issues. These rankings suggest that the characteristics of domestic demand have the most substantial impact on businesses (weight = 0.194), closely followed by

demand from international visitors (weight = 0.146). This underscores the central role of overall demand as the driving force behind businesses in the precinct. Further research is recommended to explore the implications of public investment on economic growth and resilience in the precinct and broader region based on the significance of these factors.

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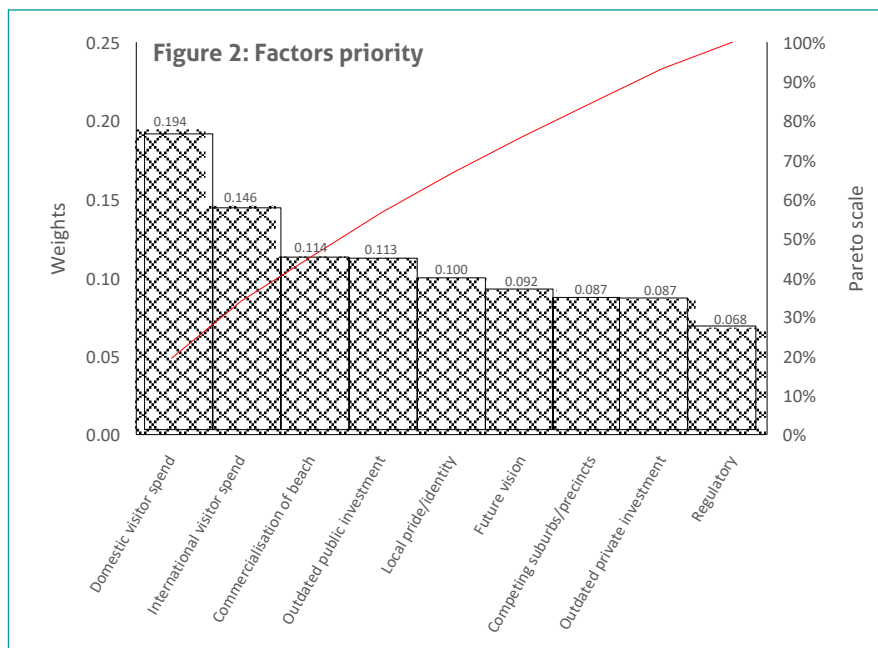


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EXPLORING THE ESTABLISHMENT OF GEELONG AS A CLEANTECH CENTRE OF EXCELLENCE

Tina Perfrement, MSc, ACECd, Senior Industry Sector Lead, Business & Industry Experience, City of Greater Geelong

A BOLD VISION

The vision to establish Geelong as a Centre of Excellence for cleantech in Australia, by attracting investment, supporting innovation, creating jobs, and building skills is ambitious. It could be achieved by fast tracking cleantech businesses in or moving to Geelong, through a place-based approach that seeks to support sustainable business and the local lifestyle.

In 2020-2021 the City of Greater Geelong road tested this vision with business leaders, and they all agreed it was worth pursuing. Then we did our homework to understand how to make it happen.

The City of Greater Geelong conducted a stakeholder engagement process with key business leaders, investors and enablers. The stakeholder engagement was led by Vital Places.¹ Students from three academic disciplines in Deakin University's School of Architecture and Built Environment² also assisted by using the Geelong Centre of Excellence investigation as a focal point.

The City of Greater Geelong generated two reports in 2022 about the centre of excellence investigations:

- One report outlined a roadmap for how Geelong can establish itself as a centre of excellence for cleantech solutions.
- The other report presented the design research work developed by post graduate students at Deakin University.

This article features highlights from those two reports.

THE CLEANTECH INVESTMENT CHALLENGE

Geelong's economy has transitioned from a traditional manufacturing base into a diversified and flourishing economy. Greater Geelong has survived and ultimately thrived despite plant closures and industry downturns, recessions, world wars and natural disasters. Geelong's economic resilience and its capacity to successfully transition to a sustainable base after an economic disruption has led it to be recognised as one of the most resilient regions in Australia, on par with the metropolitan regions of Greater

Sydney, Melbourne and Perth.³

Over the last decade, existing local industry and start-ups have shifted focus to the opportunities of new emerging markets such as the cleantech sector. The momentum is growing. Recent discussions with local cleantech business leaders have confirmed unanimous support for the establishment of Geelong as a Centre of Excellence for Cleantech. There is a clear understanding that its success would be a combination of government policy driven by private sector leadership, and investment as well as education and research.⁴

Our research showed that the transition to a cleantech market driven economy requires a strong pipeline of projects to attract ongoing investment. Geelong has a successful track record for nurturing cleantech start-ups and has several larger players with mature projects. However, Geelong faces the common challenge of attracting funding to quickly scale up the start-ups to more mature, low risk companies commonly sort after by traditional investors.⁵

CLEAN ECONOMY IMPACTS

Our research showed that establishing a project pipeline is complicated by the interconnected nature of cleantech businesses and circular economy businesses. The sharing of waste value chains and growing corporate commitments to the United Nations Sustainable Development Goals add to the complexity. The emerging ecosystem of the sustainability focused businesses requires more collaboration and adaption of existing design processes, governance, business case development and project financing systems.⁶

This is a good point at which to clarify a few terms by providing their definitions. The circular economy tackles climate change and other global challenges like biodiversity loss, waste, and pollution, by decoupling economic activity from the consumption of finite resources.⁷

The circular economy is based on three principles, driven by design⁸:

- Eliminate waste and pollution
- Circulate products and materials (at their highest value)
- Regenerate nature

Underpinned by a transition to renewable energy and materials, the circular economy is a resilient system that is good for business, people, and the environment.⁹

Clean technologies (cleantech) are economically viable products, services and processes that harness renewable materials and energy sources, dramatically reduce the use of natural resources, and decrease or eliminate emissions and wastes.¹⁰

So, to achieve a circular economy we must get better at bringing cleantech goods and services to market. The City of Greater Geelong has been a leader in cleantech market development for nearly ten years.

Outcomes achieved from 2014-2021¹⁵



CURRENT STATE

The City of Greater Geelong (local council) provides a business support program to develop markets for cleantech solutions. We do this by stimulating demand for cleantech solutions and working with local suppliers to respond to this increased demand.

The business support program has been operating since 2014, delivering positive economic growth and sustainability outcomes for the Greater Geelong community.¹¹ Since 2014 the focus on circular economy at local, state, and federal government level has grown.

The release of *Recycling Victoria: a new economy* by the Victorian Government in February 2020, has enabled the City of Greater Geelong to highlight the circular economy related work we have been involved in, and do more of it.¹² The business support program is also in line with Geelong's designation as a UNESCO City of Design¹³ and the community-led 30 year vision for a clever and creative future.¹⁴

The City of Greater Geelong provides cleantech business support to help businesses:

- Access grants for new, collaborative projects that stimulate the market;
- Deliver activities to develop skills and capabilities;
- Create innovative products through procurement; and
- Share their success stories and learn from others.

Key activities include:

- Bringing new cleantech products to market by stimulating demand through Procurement for Innovation;
- Inviting proposals for scalable cleantech demonstration projects; and
- Exploring the creation of a cleantech precinct.

FUTURE STATE - FINDINGS FROM STAKEHOLDER ENGAGEMENT

Feedback from industry, investors and enabling organisations provided strong support for the potential benefits of establishing Greater Geelong as a market-led Cleantech Centre of Excellence.

The investigation revealed a multiscale challenge for Geelong's cleantech sector that suggests the most effective implementation of a Centre of Excellence will be more than just a single physical precinct.

Based on broad stakeholder consensus, it was recommended that the emerging cleantech market in the Geelong region will be best facilitated by innovating a network of connections at different scales. This systemic innovation approach means a Centre of Excellence would be most effective if it were a combination of initiatives such as:

- A virtual knowledge network to support new and emerging businesses
- A regional cluster of nodes and links to secure market leadership
- Precincts that co-locate mixed industry to leverage operational efficiencies

Our research showed that the goal is increasingly clear for Greater Geelong: community, government, business, and investors want to drive towards a thriving, resilient net zero economy. The cultural and regional advantages indicate that cleantech is an emerging industry that can underpin this shift. There is substantial momentum in the region, yet there remains a disconnect between the pace and scale of investable opportunities desired, and what is available in terms of supply chain connections, demand stimulation opportunities and investment.¹⁶

Our research also showed that to achieve transformational outcomes for Greater Geelong, innovation needs to be approached differently. A new methodology is needed for “how” to innovate and catalyse investment if the region is to secure long term cleantech innovation and leadership.

A TRANSFORMATIONAL SOLUTION

The success of establishing Geelong as a Centre of Excellence for Cleantech would be measured by its ability to attract investment to accelerate the emergence of new industries. Globally, the need to quickly transition into a more sustainable economy is challenging traditional approaches to business investment. A key enabler of achieving an economic transition is to mobilise finance – both public and private. The problem is traditional approaches are often inadequate to drive complex transitions such as the shift to a sustainable economy.¹⁷

Climate KIC EU recently launched a global framework for Systems Innovation and Transformational Capital¹⁸ for accelerating transition and adaption. This global best practice initiative provides a methodology for “how” innovation and investments can be implemented in an integrated and coordinated way to form portfolios of projects and drive transformational outcomes.

The approach is being used at a country, region, city and industry level in Europe. Climate KIC Australia has begun to apply this approach in Australia. Recent applications have included in the Industry Energy Transitions Initiative¹⁹ and Climate Initiative for Agriculture.

Applying a Systems Thinking approach to cleantech investment would accelerate local innovation and business expansion as well as elevate the global status of the Greater Geelong region.²⁰

FUTURE STATE - FINDINGS FROM DEAKIN UNIVERSITY STUDENT CONTRIBUTIONS

Geelong could be leading the way by benchmarking international thinking about the emerging opportunities and best practice in clean technology market development, and the role that hubs/ clusters/ precincts/ districts can play in helping to transition Geelong’s economy. To do this, it is important to understand

what attributes will help grow the clean technology sector in Geelong. Post graduate students at Deakin University’s School of Architecture and Built Environment developed a body of design research work over a period of 12 months, to assist the City of Greater Geelong with their investigations.

Preliminary investigations suggest that a clustered approach with different nodes operating in the Geelong region, could facilitate different scales of opportunities from design to advanced manufacturing.

The student research work aimed to address a series of research questions focused on the development of Geelong as a Cleantech Centre of Excellence. The work was generated within the three linked post graduate subjects, SRD762 Interdisciplinary Planning and Design, SRD 760 Geo Planning and Design, and SRD764 Urban Design Studio, which form a suite of Post Graduate core and elective units within the School of Architecture and Built Environment.

The series of research questions the students addressed enabled the study:

- (i) to explore the concept of an innovation precinct;
- (ii) to evaluate Geelong’s potential to be developed as a Cleantech Innovation Precinct, and, finally
- (iii) to gather innovative ideas on the physical design of a Cleantech Innovation Precinct.

Hence, the three subjects focused on conducting explorations into the definition and possible iterations of an innovation precinct at different scales of investigation. This comprised:

- a global assessment of 26 innovation precincts of differing size and focus, with each one being evaluated with respect to a Geelong centric case study, the Western Wedge a 55Ha precinct adjacent to Geelong’s CBD and currently undergoing significant change.
- a regional scale assessment of possible cluster locations within the Greater Geelong region, possibly extending the current scope of Cleantech and manufacturing clusters in Geelong’s Local Government Area (LGA).
- an urban design analysis and ‘What if?’ vision study which explores

opportunities for seeding a Cleantech Centre of Excellence in the suburb of North Geelong, with a focus around North Geelong Station and the Victoria street precinct located between the Geelong Road and Thompsons Road.

STUDENT DESIGN RESPONSES

Figure 1 presents very insightful concepts and design proposals for the Western Wedge developed by Jacinta Cox, a post graduate student enrolled in SRD762 Interdisciplinary Planning and Design, and studying for their Masters of Landscape Architecture with the School of Architecture and the Built Environment at Deakin University.

Figure 2 is an example of student project work²¹ from an explorative study of eight precincts covering the Greater Geelong area, stretching from Lara and Avalon in the North of the municipality to Armstrong Creek in the South of the municipality. This figure presents design development and master planning visualisations developed by Adam Holmstrom.

Students considered both the potential program and brief of an innovation hub and how the facility could link with the surrounding community.

On completion of a Masterplan, students²² then looked at the design of a Cleantech Innovation Hub at an urban and architectural scale. Students considered both the potential program and brief of an innovation hub and how the facility could link with the surrounding community. Many schemes provided both an education and employment anchor to the precinct while helping to facilitate both startup and incubator scaled operations. Other schemes considered the development of an innovation precinct facilitated through mixed use development options, of ‘live, work, learn, innovate and play’ as inspired by the writings of Richard Florida through ‘The Rise of the Creative Class’.²³ See below Figure 3. Design proposal designed by Matt Watson, Matilda Warner and Bronte Panckridge, and Figure 4. Design proposal designed by Luke Jennings.

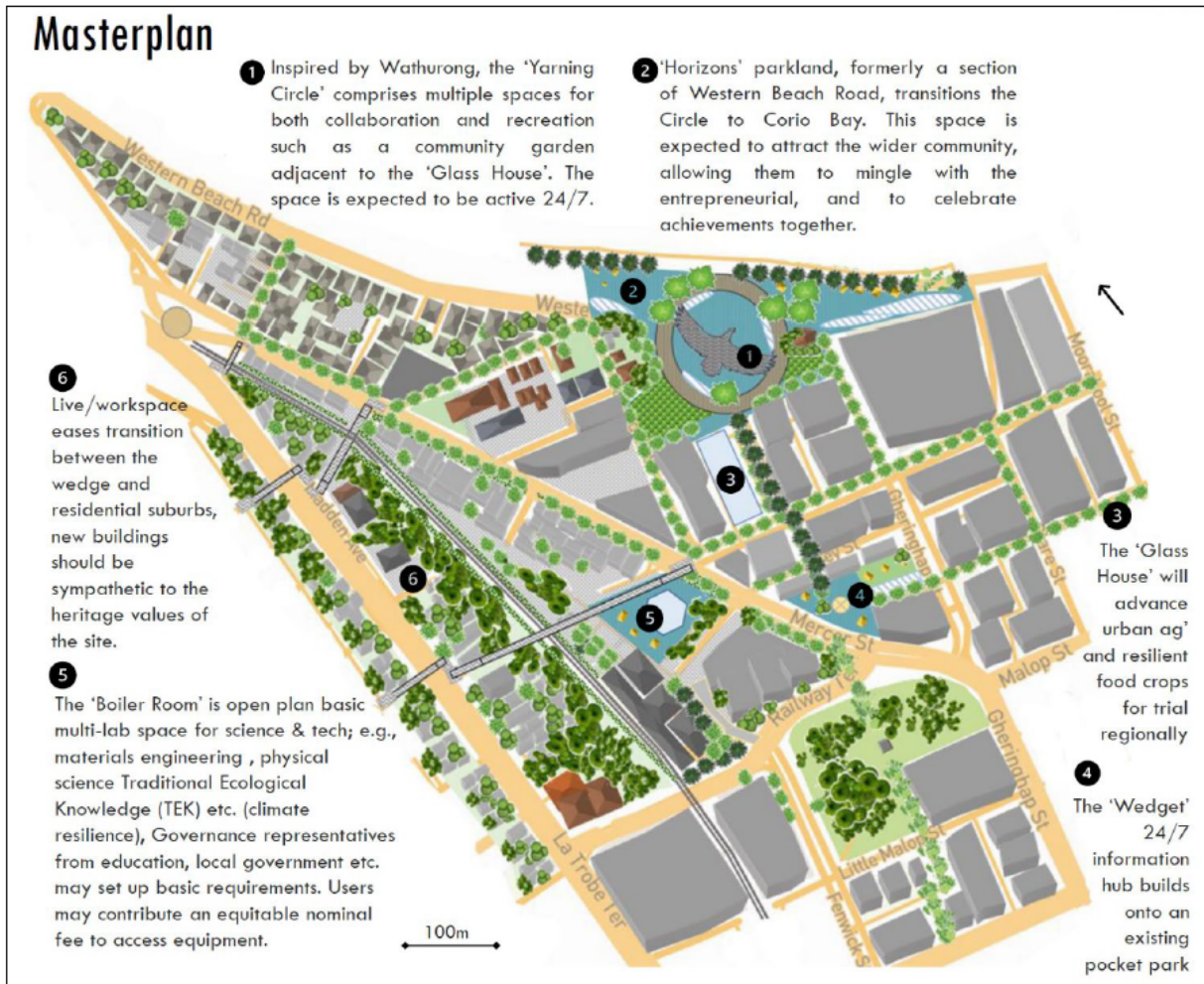


Figure 1: The 'wEDGE' Master plan design proposal for a 'Cleantech Centre of Excellence Innovation Precinct' in the Western Wedge. Created and developed By Jacinta Cox, Deakin university A+B



Figure 2: Proposed Master Plan, Cleantech Innovation Precinct, Lara, by Adam Holmstrom, Deakin University A+B



Figure 3: Cleantech Innovation Precinct, Master Plan: Designed by Matt Watson, Matilda Warner and Bronte Panckridge. Deakin university A+B

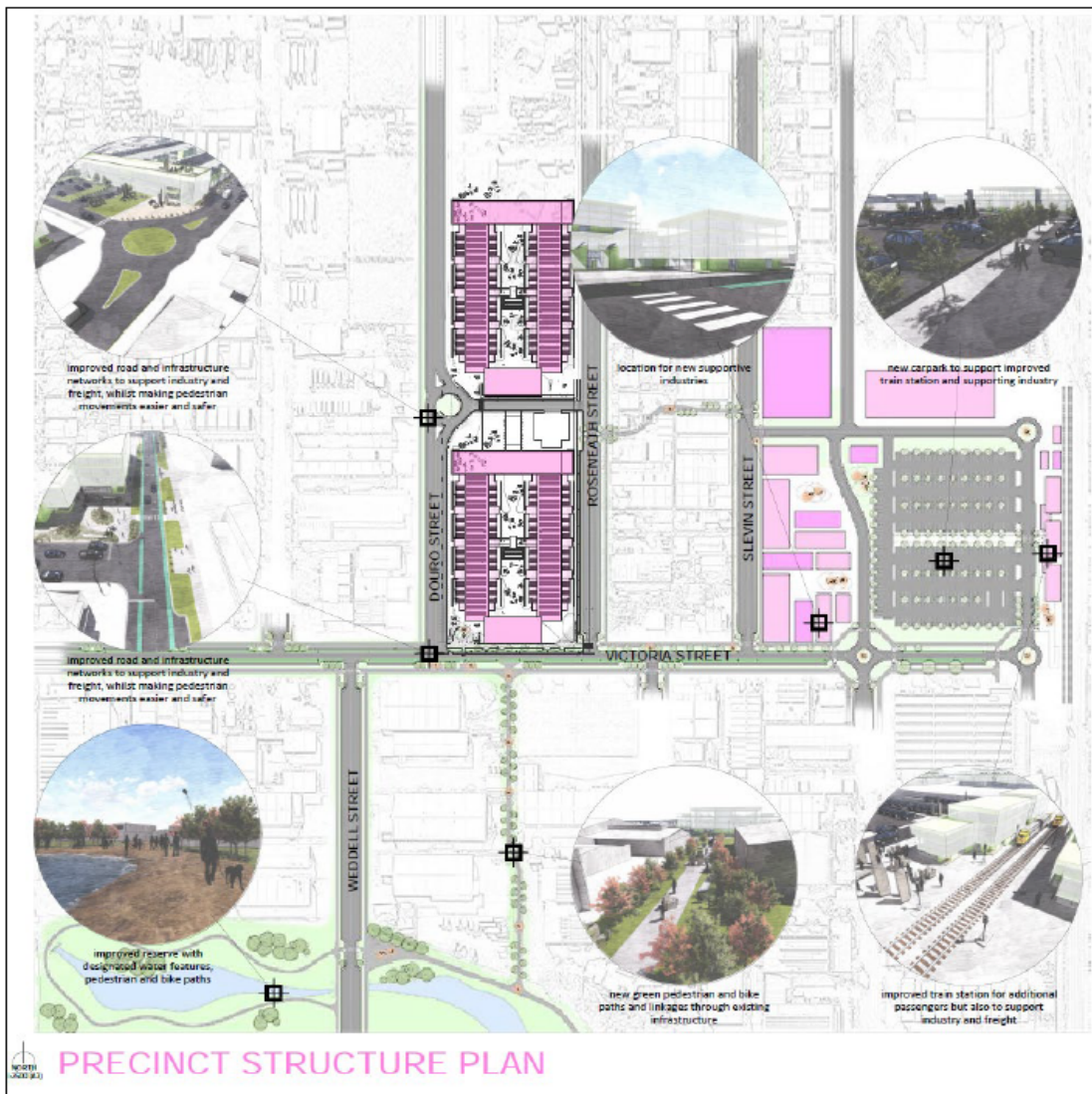


Figure 4: Cleantech Innovation Hub designed by Luke Jennings. Deakin university A+B

RECOMMENDATIONS FROM STUDENT CONTRIBUTIONS

If a preference is made for the development of a Cleantech Innovation Hub, then further research²⁴ needs to be undertaken in the following areas:

- i. a comprehensive case study assessment of current and successful innovation precincts from around the world.
- ii. a comprehensive evaluation of the strengths, weaknesses, opportunities and threats (SWOT) of locating an Innovation Cleantech Design Hub in Geelong, for example the Western Wedge, or North Geelong.
- iii. mapping both existing and possible future cleantech manufacturing nodes and clusters in the Greater Geelong LGA to enable the exploration and investigation into strategies which:
 - a) are best suited to form linkages and connections to facilitate different scales of manufacturing opportunities, and cultivate a competitively positioned creative community from design to advanced manufacturing, and
 - b) further facilitate 'live, work, learn, innovate and play' opportunities for local communities.

PROJECT TEAM AND PROFESSIONAL REFERENCE GROUP

A project team and professional reference group was established at the outset of the student research work.

The Project Team comprised three academic staff from The School of Architecture and the Built Environment: Dr Surabhi Pancholi, Unit Chair for SRD762 Interdisciplinary Planning and Design, and SRD 760 Geo Planning and Design; Dr Yolanda Esteban, Unit Chair for SRD764 Urban Design Studio, and specialist researcher in Architecture, Urban Design and Cross-Discipline Collaboration; and Dr John Rollo, Honorary Fellow, and specialist researcher in Architecture, Urban Design and Cross-Discipline Collaboration.

The Professional Reference team provided essential background and industry focused advice to the unit chairs responsible for the three post graduate units, and assisted in: the development

of the student project briefs; providing three sets of industry focused seminars; and offering professionally focused student feedback during student review sessions. The Team was led by Ms Tina Perfrement from Economic Development at the City of Greater Geelong, a specialist in Environmental Science, and member of the Cleantech Innovations Geelong Advisory Board. Mr Kevin Ford, from the Geelong Manufacturing Council (GMC) and member of the Cleantech Innovations Geelong Advisory Board, and Robert Prestipino, Urban Design Consultant to the Cleantech Innovations Geelong Advisory Board for 'Establishing Geelong as a National Centre of Cleantech Excellence'.

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The author sincerely thanks the work of the contributing students to the report, in particular: Jacinta Cox; Harold Payet and Adam Holmstrom; John Tsikouris, Nicholas Brandrick and Robbie Hickleton; Matt Watson, Matilda Warner and Bronte Panckridge; and Elliot Creed, Luke Jennings and Melody Kingoo.

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Disclaimer: The work included in the Deakin University student contributions report was developed by students at the School of Architecture and Built Environment, Deakin University. The work was prepared within a teaching program specifically for education purposes and does not constitute the views or opinions of Deakin University or the City of Greater Geelong.

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ABOUT THE AUTHOR

TINA PERFREMENT MSC, ACECD



Tina Perfrement is Senior Industry Sector Lead, Business & Industry Experience, City of Greater Geelong. Tina has worked with businesses and the public sector to improve performance through

sustainability, in Australia and the United Kingdom. Her approach is both strategically driven and practically focused; this is reflected in her achievements during a career spanning more than 20 years. Tina has been developing markets for sustainable goods and services for most of her career. She's currently working to inspire opportunities for clean technologies through her work at the City of Greater Geelong. This has resulted in job creation, skills development, and business expansion outcomes for the Greater Geelong community. Tina is a passionate ambassador for Greater Geelong sitting on the Benefit Geelong Committee and the Victorian Cleantech Cluster Board.



REINVENTING HOW SPACES AND PLACES ARE SHARED

Jeremy Hurst

Wherever there are people, there is a need for spaces... right? Spaces to work, learn, train, connect, counsel, celebrate, play, pray, exercise, trade, entertain, compete, be, grieve and more.

The right space is a container for the things we do as humans. How we find, share, use, book, pay and return to spaces has, typically been a series of awkward processes. Without meaning to, these processes have blocked the hiring and sharing of spaces in our communities.

Over seven years ago, my organisation set out to understand why these blockers existed and how to make bookings frictionless. We also wanted to fix the waste that occurs with existing and under-utilised spaces in our communities. In a nutshell; improve the customer journey and grow space utilisation in the process. In this article I'm going to share some of the insights we have uncovered in partnering with community space owners, local government and local businesses.

Reinventing how spaces and place are shared matters for community, for

sustainability and for local area economies. But first, why is the space sharing economy important?

WHY WE NEED TO ENABLE SPACE SHARING

Think about the activities you have participated in this year; what has been in your daily, weekly, monthly routines? Have you attended any of these activities in buildings or outdoor spaces/places that are not your workplace or your home?

- Workshop e.g. art
- Community meeting
- Coaching
- Lesson e.g. dance
- Sport training
- Fundraiser
- Performance e.g. music
- Committee meeting
- AGM
- Class e.g. yoga / cooking
- Offsite work meeting
- Social sport
- Rehearsal e.g. dramatic
- Fitness
- Wedding or Engagement Ceremony e.g. culture

- Birthday party
- Interview
- Quiz night
- Competition e.g. debate

This is not an exhaustive list but most people would say they've attended at least 8 of these, few would say less than 4. What is evident when we think about these things is the depth of activity going on in our communities at all times. These activities bind people with things in common, within shared spaces.

Some of these activities are centered around volunteers (committee meeting), some are people with a side-hustle (teaching drama to kids), some are part of a professional service (corporate training). Other activities could be new and untested ideas (entrepreneurial experiments). In most cases, there is a transaction of funds for either one, two or all of these:

1. Hiring a community venue
2. Paying for the activity experience that occurs in the community venue
3. Potential for overflow into other local businesses

What really matters here is the purpose for booking and the secondary activity it triggers. The mechanics of bookings need to 'get out of the way' and be simple, efficient, provide the required information and be trustworthy. Unfortunately, in towns and cities across the country, bookings are still made manually with sticky notes or, with a poorly designed digital flow. These processes can be a blocker for economic activity within a local area. When people use spaces efficiently, the local economy wins, the space owner wins, the activity provider wins, the environment wins and neighbourhoods become more vibrant.

When reviewing the activities listed, it's helpful to consider if the space was easy to book.

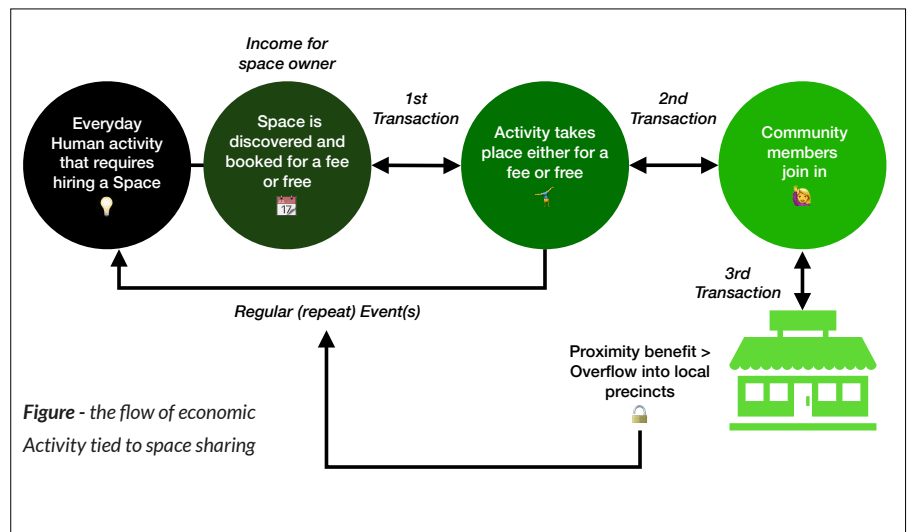
SPACE SHARING IN THE DIGITAL AGE

Step one in enabling the Space Sharing Economy as part of any economic development strategy is to know the user journey for accessing local community venues, spaces and places. In 2023, the bar has been set very high by digital platforms that have normalised efficiency. Digital platforms (AKA marketplaces) have been a binder for connecting a resource to a customer and making a transaction simple. Want a table at a restaurant? Just book it online in minutes. Want to travel to Rome? Book your flight online in under an hour? Need transport? Book a ride share in seconds. Anyone with a space to share is ultimately competing with the likes of Amazon, where that book you purchased last night can be on your doorstep the next afternoon.

These disruptive platforms now save the consumer time, provide answers to common questions (price, availability and reviews) in one place and makes the financial transaction completely frictionless. We have all been trained to expect this new normal and if we stumble across a process that is time-consuming and a bit cumbersome ('they just wrote my credit card on a sticky note') then we bounce and go elsewhere where it's just a bit more seamless.

From working closely with community space owners for the past several years we know that:

- Most business owners have space to share but believe it's not worth the hassle.



- Many space assets in the community are under-utilised, or suffer from peaks and troughs in demand at key times of day.
- Any dedicated staff who manage bookings are dealing with old booking administrative processes. Their day can be distracted by managing enquiries, checking availability, sending invoices and chasing unpaid bills.
- The systems and processes used to manage bookings are usually highly manual or inefficient. For example, keeping a physical registrations book or having to enter data in multiple systems. This can lead to human error, a frustrating process for customers and staff.
- It's extremely difficult or just really time-consuming to get reliable data on utilisation, participation and community reach and impact. Many space owner operators spend hours each month manually adding up space utilisation from an outlook calendar.
- The compounding effect of lack of funding and time means valuable staff hours cannot be spent either finding ways to change or improve the system. But more importantly all this time spent handling repetitive transactional administration takes their time away from doing what's really impactful in their space; programming and events, building community connections and activation and placemaking.

SPACE SHARING DATA INSIGHTS

Community facilities are everywhere but many of them are also a mystery. Great effort goes into providing the many halls,

centres, parks, courts, gazebos and more, but just how much are they used and how?

By looking at insights from over 2,200 spaces across 40+ Councils we've discovered patterns about facility utilisation. For example, the average facility hiring time is 3 hours, the average hire spend is \$70 and the average number of attendees is 30. The impact is that space bookings are very much part of the local economy.

When we review the bookings data for regular hirer groups with Councils we work with, we always shine a light on the highest value hirers. The data always speaks volume. For example,

'Did you know that the Jumping Jellybeanz dance group (not their real name) is bringing in more than \$70,000.00 in bookings turnover in a year? There are also 500 families accessing the hall each week.

In most cases the numbers are surprising and then the next question we ask is - 'is the hirer happy?'

Usually it's a 'yes'. Sometimes it's 'so-so' and if it's a 'no, they're not happy', it's due to maintenance issues. Being able to demonstrate the financial return strengthens the business case to fix the issue and complete the necessary maintenance.

OPPORTUNITIES

How can we amplify community connections and economic benefits for neighborhoods? There are three parties involved:



COMMUNITY

- There is an abundance of community groups, small businesses, organisations and individuals across local areas who need spaces.
- As highlighted already, we know the variety of community initiatives that are happening all day and everyday in the spaces we work with. From meetups, to mindfulness, business meetings to language classes and everything in between.
- The global pandemic has created a fundamental shift in where people want to work. Liberated from punishing commutes, many people and businesses have realised it's perfectly productive to enable people to work remotely. Even just for a couple of days a week. This is creating a growing demand for people wanting to live where they can work.

SPACE OWNERS

- There is untapped potential of space that can be used more if we enable people to understand when it's available and how much it costs. Most spaces have peaks and troughs of demand, but these are varied, meaning when one space is busy, another may be free.
- There is potential to create new income opportunities for spaces if we shift mindsets on what spaces can be used for and how this demand is distributed.
- Local facilities can provide space for cultural events, workshop training, seminars and more.

- There is an opportunity for community spaces to become hubs and generate more income from their spaces.

LOCAL GOVERNMENT

- By spreading the demand for community space across a diverse range of spaces and facilities, council facilities could realise a greater return on its property assets. Whilst council community spaces are not necessarily built to raise income, improved use can at least mean that costs are covered.
- By making it easier for communities to learn, create, play and do in spaces local to them, we can build more connectedness across diverse community groups.
- It's possible to create opportunities for learning and social mobility and greater understanding and compassion in a world that sometimes feels more divided than ever.
- By encouraging communities to meet and spend locally, neat circular economies are created within localities, where household and community incomes are ploughed back into the local area.

If the administration around space sharing is removed what does that mean for booking staff? It means freedom from boring repetitive administration and a chance to engage hirers and gather feedback, apply for more grants and funding, do proactive community

outreach and placemaking, run community programmes, plan events and so much more. Bookings should be easy so that the real work can begin.

IN SUMMARY

Reinventing how spaces and places are shared is not only necessary in 2023, it is an imperative and ought to be included in the transformation strategy in every local government. The cost of not making this a priority is a continuation of burdensome admin, low utilisation and a lost opportunity to enhance customer relations.

The space sharing economy is real and it's happening every single day and night right in front of us. The disruption of the past 5 years has changed society and people are seeking connection, flexibility and local resources. Many of these things are to be found in our local community spaces and places.

ABOUT THE AUTHOR

JEREMY HURST



Jeremy works with Councils, business and all types of community venues to help make it easier for people to find, book and use local affordable spaces and places. In 2015, he created SpacetoCo - a unique marketplace and enterprise

bookings solution that can be used by local authorities to create a hireable ecosystem of both council and non-council facilities, therefore making more facilities available for community use. The business went live in early 2017 is used by over 45 local governments and over 110 community venue partners. Jeremy's mission is to galvanise people to think differently about how space is shared and booked. For more information visit: www.spacetoco.com



CONGRATULATIONS - AUSTRALIAN CERTIFIED ECONOMIC DEVELOPERS (ACEcD)

Economic Development Australia's Accreditation Program is the national industry designation for Australian economic development professionals.

Accredited members are recognised as Australian Certified Economic Developers and are authorised to use the nominals ACEcD and the new ACEcD logo in their email signatures and on business cards, etc. to demonstrate their achievement and position themselves as leaders in their field.

To achieve recognition as an Australian Certified Economic Developer (ACEcD), EDA members must complete 4 core and 2 elective modules of the National Education and Training Program, within 3 years.

Recognised Australian Certified Economic Developers then need to earn 50 CPD points over a two year period to retain accreditation.

For further information regarding training and accreditation: <https://www.edaaustralia.com.au/training/acecd-accreditation/>

Since October 2020, 347 people have participated in the National Training Program with 213 achieving recognition as Australian Certified Economic Developers (ACEcD).

Congratulations to the following graduates of the National Economic Development Education and Training Program who have recently achieved recognition as Australian Certified Economic Developers (ACEcD).

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