

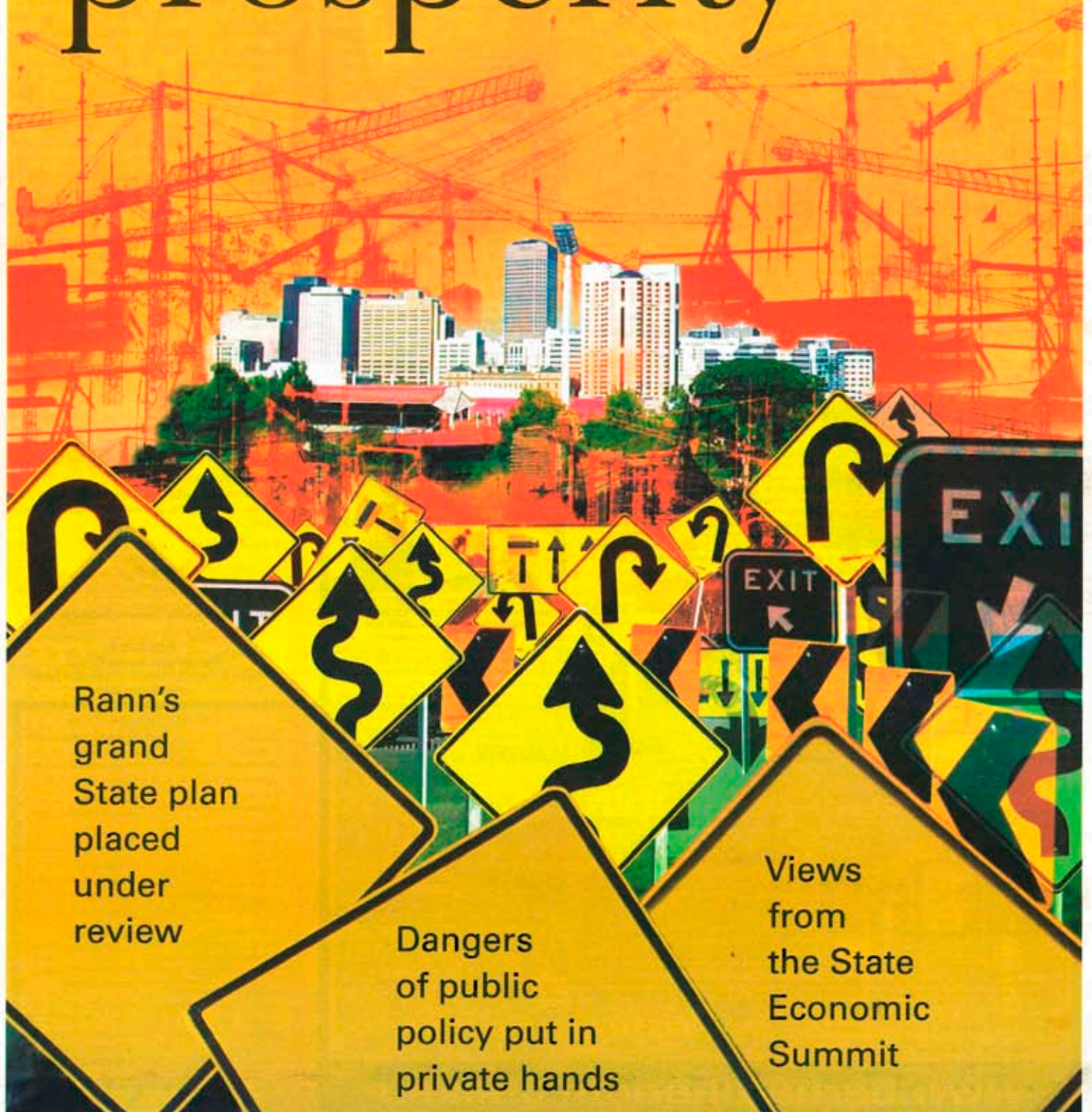
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Path to prosperity



Rann's grand State plan placed under review

Dangers of public policy put in private hands

Views from the State Economic Summit

Turning the tide

□ By Rodin Genoff

DRIVING out of Sydney Airport you're hit with a billboard featuring a photo of a road raging Sydneyite running late for a meeting. The caption reads "Running Late? Adelaide On Time ... The Most Cost Competitive City in Asia Pacific (KPMG)". Even The Australian Financial Review is running positive stories on the economy with headlines like "SA Humming Along", which is more than can be said for the motorists stuck in Sydney traffic.

So it's not surprising these days to find Premier Mike Rann leading from the front with the release of his government's State Strategic Plan: risky, ambitious and very welcome. As the Premier outlines in his introduction: "The plan will generate controversy".

No wonder, with 79 targets set for government to achieve over the decade ahead. But for once, a government is bucking the political trend of releasing grand plans during an economic downturn. Think of the 1930s New Deal in the United States or, closer to home, former Prime Minister Paul Keating's Working Nation to kick-start the Australian economy. Unlike either of these, Mr Rann's plan is about planning for the future rather than reacting to an economic crisis.

Mr Rann has done the unthinkable by releasing his blueprint for prosperity during a period of strong economic growth. This gives the State Government the opportunity to do two things. First, work with the economic cycle and engage the community and business while business confidence is strong; a vibrant economy provides an economic safety net that encourages an environment more conducive to risk taking. Second, halfway through this Government's first term, the Premier can put the wood on his Ministers and their departments to perform, not only for the life of this Parliament but into the decade ahead.

Performance is what the State Strategic Plan is all about. It sets out ambitious targets to lift South Australia and build on its

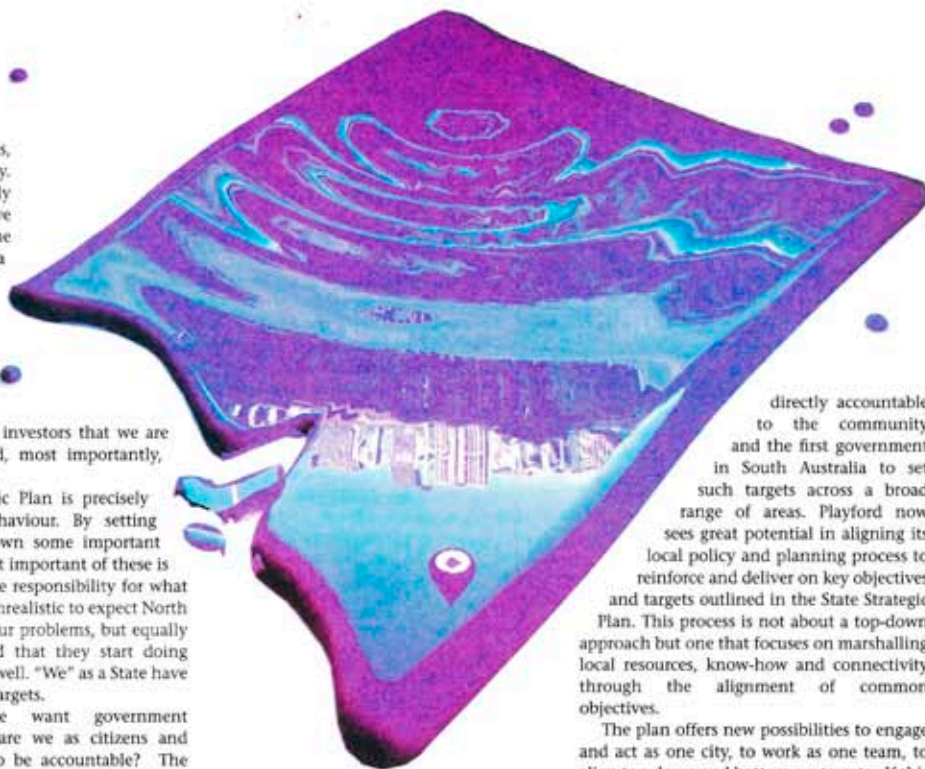
competitive strengths, talent and creativity. A government openly saying that we have to lift our game and enter into a conversation with the community and business about our need to change sends a very strong message.

It tells the rest of Australia and global investors that we are confident, open and, most importantly, willing to change.

The State Strategic Plan is precisely about changing behaviour. By setting targets it throws down some important challenges. The most important of these is that we have to share responsibility for what happens next. It is unrealistic to expect North Terrace to fix all of our problems, but equally we need to demand that they start doing things differently as well. "We" as a State have to sign off on these targets.

As electors we want government accountability, but are we as citizens and doers also willing to be accountable? The old economy was characterised by "we pay our taxes and it's up to someone else, mostly the government, to make things happen". The future has arrived and it's characterised by partnerships, shared responsibility and civic engagement. Part of the plan's success should be measured by our own individual contribution and our ability to make a difference. Create target No 80 - develop an indicator to measure civic participation. This is precisely why the Organisation for Economic Cooperation and Development (OECD) has invested so much of its time developing best-practice case studies and governance principles that underpin the process of devolution of responsibility and resources from centralised authorities to

Premier Mike Rann has generated what may become an irresistible tide of political and economic change. His State Strategic Plan provides a vision and a map of a prosperous future. It challenges business and community to step up and make it happen. It sets targets by which his and future governments will be measured and judged. Whether it succeeds or fails, it will change the political landscape. Over the next five pages, *The Adelaide's Review's* commentators assess the Strategic Plan and the wash-up from the State Economic Summit.



□ Artwork Andrew Bishoff

the local level where distinctive strategies can address unique circumstances more effectively.

Here the State Strategic Plan provides leadership that is uplifting. From the City of Playford's perspective, located in Adelaide's northern suburbs, it provides the tantalising opportunity for collaboration between the different levels of government. Two years ago Playford released its own strategic plan complete with economic, social and environmental targets against which the community could measure the city council's performance. Mayor Marilyn Baker and CEO Tim Jackson pride themselves on being

directly accountable to the community and the first government in South Australia to set such targets across a broad range of areas. Playford now sees great potential in aligning its local policy and planning process to reinforce and deliver on key objectives and targets outlined in the State Strategic Plan. This process is not about a top-down approach but one that focuses on marshalling local resources, know-how and connectivity through the alignment of common objectives.

The plan offers new possibilities to engage and act as one city, to work as one team, to align top-down and bottom-up targets. If this doesn't occur, we will be left with the same old tired delivery vehicles; we will continue the hierarchy of planning and decision making, with the Federal Government at the top handing out scraps and tied grants to mendicant state governments, with local government left to clean up the rubbish after the brawling is over.

The plan can become a meeting place through which new projects and solutions are developed, a point around which government, business and the community can meet and drive implementation.

Take unemployment, for example.

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Turning the tide

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The plan offers unemployment targets of equal or better than the Australian average unemployment rate within five years. Assuming these targets are achieved, pockets of high unemployment will, in all likelihood, remain in northern Adelaide. Addressing this issue has vexed policy makers for two generations – but we cannot afford to drag this problem with us into the 21st century. As a manufacturing state, can we afford to say to global industrial investors: “Come to Adelaide, invest at Elizabeth and, by the way, we have some of the highest unemployment rates in the country?”

The State Strategic Plan offers great potential for new partnerships and adult-to-adult relationships between local and state governments to tackle what have been intractable problems. The upside for a state government is the energy and connections that can be generated at the local level.

Charles Landry, one the Premier’s thinkers in residence (Playford was a sponsor and partner of this residency), spoke of the need to discover 1000 leaders in Adelaide. This new generation of leaders can be found across Adelaide. What traditionally has been seen as part of the problem may well be part of the solution. There are 18 councils across metropolitan Adelaide and each has strong connections into the local community and business. Imagine each council with 50 leaders that can unlock resources and marshal energy to make things happen on the ground. Rather than invent new structures, let’s put to work more effectively what is already in place. The Premier should encourage these councils to align their own strategic plans with the overarching State Strategic Plan so we can unlock resources government-wide. This would send a welcome message to the community and business that government is working as one, because people are more interested in outcomes than who is delivering them.

Let Landry’s 1000 leaders bloom. Fanciful? I don’t think so. Every city or community that has reinvented itself and succeeded has put its local community and business leaders and their networks to work. The State Strategic Plan is not

about a quick fix. It provides challenging targets that focus our attention on making a difference and approaching issues differently.

For instance, when in 10 years’ time we meet the 90 per cent target of school retention rates for students completing Year 12, how do we make our young people, the majority of whom live in the northern and southern suburbs, feel positive about themselves and the communities they grew up in? How do we make them want to live and work in Adelaide.

Most of our young people live in the industrial north and south. Research from the OECD indicates that this is precisely where the lowest rates of business start-ups are and, in particular, where young entrepreneurs are not to be found. Marshalling entrepreneurship and the economic energy that comes with this is, therefore, vital to the urban and industrial regeneration of our regions. Why not get these councils to develop sub-regional targets that underpin the ongoing integrity of the State Strategic Plan and its ability to meet its global targets?

Devolution, as the OECD suggests, is an effective way of achieving policy traction. It is also why the Federal Government is bypassing state governments to directly fund programs at the local government level. Its \$100-million Sustainable Regions pilot program for eight regions across Australia, including Playford and Salisbury, may be just the beginning. This alone is creating a new political and policy dynamic, and provides grounds for more sophisticated forms of collaboration between equal partners at the local level.

Our challenge is look to ourselves for the answer, enjoy the ride and drive into the future with a great sense of optimism. The State Strategic Plan provides a pretty good road map.

 **Rodin Genoff** is Industry Strategist for the City of Playford. He is co-author of *Innovation and The Knowledge Economy – Industrial Regeneration in Northern Adelaide* (City of Playford, December 2003).