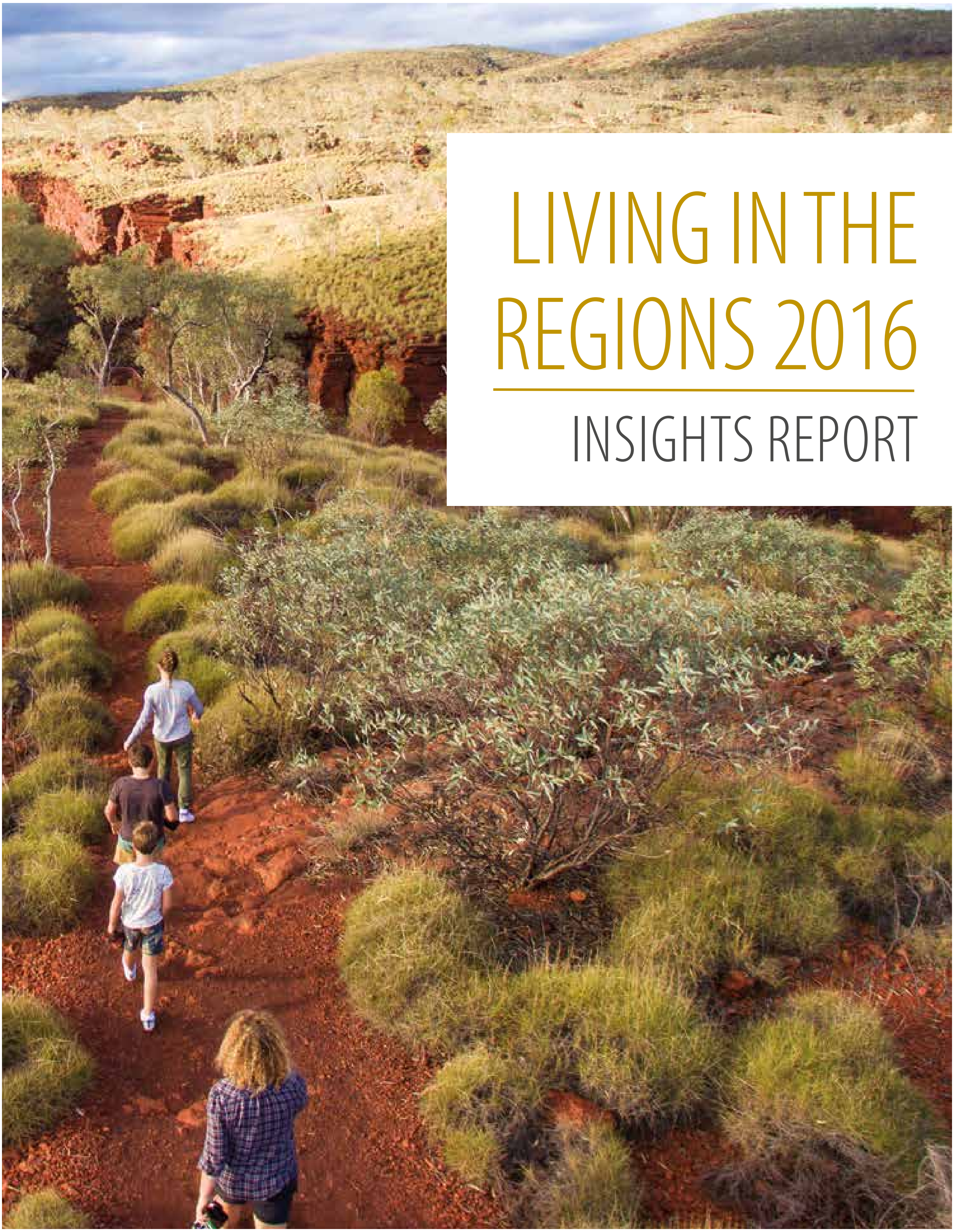
Department of
Primary Industries and
Regional Development

GOVERNMENT OF
WESTERN AUSTRALIA



LIVING IN THE REGIONS 2016

INSIGHTS REPORT

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Living in the Regions 2016: Insights Report

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MINISTER'S FOREWORD

The 2016 Living in the Regions survey provides an important insight into the perspectives and experiences of regional residents across the State.

In 2016, when the survey was conducted, the State was experiencing challenging economic conditions. Record low levels of economic growth in the 2016-17 financial year impacted regional communities across the state, contributing to soft labour market conditions, increased unemployment and weak wages growth.

It is not surprising then that respondents to the Living in the Regions 2016 survey reported declining confidence in their job prospects and financial situation.

The State Government is working hard to address these challenges and provide a more positive future for regional residents. The 2017-18 State Budget lays out a pathway for growth in regional Western Australia, investing more than $4 billion in creating jobs and projects that really matter to regional communities.

This investment will unleash the economic potential of regional WA through tourism, agriculture, renewable energy, aquaculture and other growth industries to create long-term jobs for all Western Australians.

Survey respondents indicated dissatisfaction with their education and training options. The 2017-18 Budget committed $377 million to invest in regional schools, classrooms and training facilities to improve these options.

Digital connectivity and telecommunications were other areas of concern. The State Government is investing over $60 million to improve access to regional telecommunications services and improve and expand the digital footprint in the regions.

Survey respondents indicate deep commitment and loyalty to their communities. This commitment and passion will underpin the health and sustainability of regional Western Australia. The positive attitude of young people in the regions is particularly striking.

I thank the many individuals and agencies who supported and promoted the survey. The results present a valuable perspective on regional living that will guide and inform future decision making.

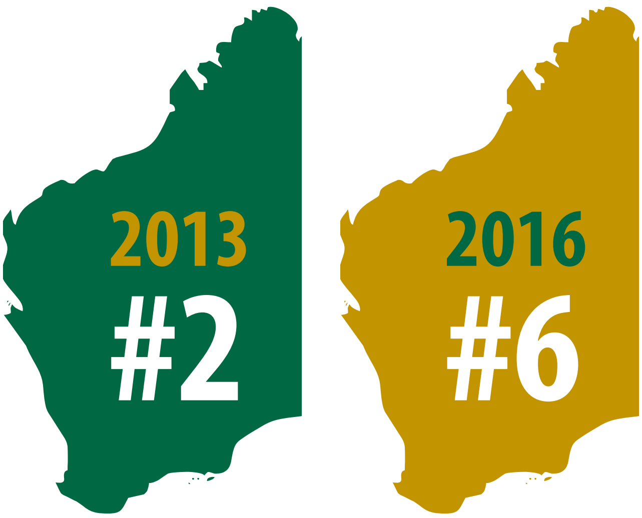
Honourable Alannah MacTiernan, MLC
Minister for Regional Development; Agriculture and Food; Minister assisting the Minister for State Development, Jobs and Trade

HEADLINE RESULTS FROM THE 2016 LIVING IN THE REGIONS SURVEY

Living in the Regions is a comprehensive survey of the attitudes and perceptions of regional Western Australians

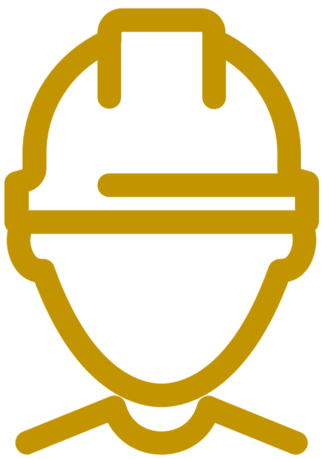
10,082 survey respondents

Western Australia faces economic challenges



in the nation for economic growth

Regional employment growth is slow



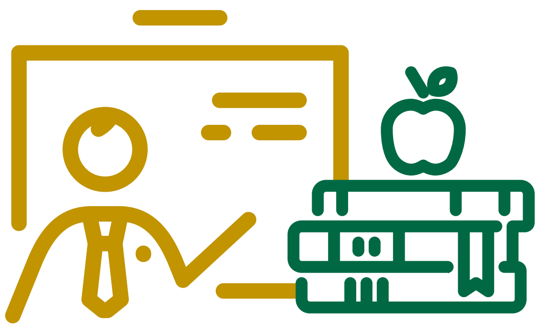
1.2%

average regional employment growth – 2012 to 2016

Residents are less positive about their finances and jobs compared to 2013

The standard of internet and mobile services is another concern

Education and training options could be improved



The survey reveals positive attitudes among young people in the regions

59%
staying

Respondents are positive about their happiness, wellbeing and lifestyle

7.9/10
the average score for **level of happiness**

68%
said they loved the regional lifestyle

EXECUTIVE SUMMARY

In 2016, the Western Australian economy was in a very different position to 2013, when the Living in the Regions survey was last conducted.

The 2013 survey was undertaken during the height of the resources construction boom. Sustained demand for resources from China, Japan and other Asian countries provided a strong investment environment for resources projects. These projects created unprecedented growth in employment, wages and economic activity.

In regional Western Australia, demand for skilled workers in the North West created employment across regional Western Australia, as high numbers of residents from other regions commuted long distances to work in resources construction.

More recently, a combination of factors, including the finalisation of major project construction, falling commodity prices, lower than expected government revenue and high net debt, have created a negative economic climate in Western Australia.

Responding to these trends, 2016 respondents were slightly less positive about their employment prospects and financial situation compared to 2013. This reflects a keen awareness among regional people of changing economic circumstances.

Respondents also identified some deficiencies with aspects of regional living. Respondents were less satisfied with their education and training options compared to 2013. Also, a high proportion of respondents are dissatisfied with the standard of mobile telecommunications and internet services.

The changing economic climate has also had some positive implications for respondents. In particular, 2016 respondents aged under 30 were particularly committed to staying in regional communities, a big change from the 2013 results. Across all age groups, most respondents reported enjoying the regional lifestyle, and felt highly connected to their communities.

Overall, this survey provides a useful snapshot of regional experiences at a time of considerable change. The results suggest that regional people are resilient and steadfast in their commitment to their communities.

These attitudes will hold regional communities in good stead as the economy transitions to a new stage of development. In coming years, increasing the diversity of the regional economy should help to insulate communities against external economic shocks and provide investment and employment opportunities in regional Western Australia.[1] Access to high quality education and training and fast, reliable telecommunications services will help position regional residents to make the most of these opportunities.

1 *CEDA 2016, Regional Development in Western Australia, viewed 12 April 2017, http://www.drd.wa.gov.au/Publications/Documents/CEDA%20WA%20State%20of%20the%20Regions%20report.pdf*

INTRODUCTION

Living in the Regions 2016 is a comprehensive survey of residents in regional Western Australia, conducted by the Department of Primary Industries and Regional Development. The survey invites respondents to rate their quality of life, share their recent education and employment experiences, identify why they enjoy living in regional Western Australia or indicate the reasons if they plan to move.

The purpose of the survey is to go beyond anecdotal accounts of regional experiences and capture a qualitative, statistically representative picture of the attitudes, experiences and perspectives of regional residents across the State.

This report considers the survey results in the context of other research on social and economic conditions in regional Western Australia. It also looks at the implications of the results and evidence for the role of the State Government in regional development.

This is the third time the survey has been run, following the 1997 and 2013 surveys. In both 2013 and 2016, more than 10,000 survey responses were received, making Living in the Regions one of Australia's largest social surveys. The survey was open to all Western Australian regional residents aged 18 years and over. It commenced on 10 October 2016 and closed on 16 December 2016.

In 2016, for the first time respondents were asked if they identified as being of Aboriginal or Torres Strait Islander descent. More than 300 respondents identified as Aboriginal and/or Torres Strait Islander. While the results from these respondents are not described in detail in this high-level report, the Department will provide the results separately.

The table below highlights the number of responses from each region.

Region	Total number of respondents
Gascoyne	329
Goldfields-Esperance	872
Great Southern	1206
Kimberley	728
Mid West	990
Peel	1284
Pilbara	595
South West	1933
Wheatbelt	1906
Not identified	239
Total	10082

Details on the survey methodology are available at Appendix 1.

The changing economic climate has also had some positive implications for respondents

FOCUS AREA 1: SUPPORTING REGIONAL EMPLOYMENT OPPORTUNITIES

In 2016, regional residents faced a very different employment situation to 2013. Earlier in the decade, the resources boom led to unprecedented growth in employment, wages and economic activity. Demand for skilled workers in the North West created employment across regional Western Australia, as high numbers of residents in the South West and Peel regions in particular commuted to the North West to work in resources construction.

In 2016, many of these projects have moved from construction to operations phase, which typically employs fewer people. In addition, efficiencies and technological innovation have reduced demand for labour in many agricultural communities.[2] The Living in the Regions 2016 survey reflects these changing circumstances.

Changing economic conditions have resulted in slower employment growth and increased unemployment in regional Western Australia in recent years.

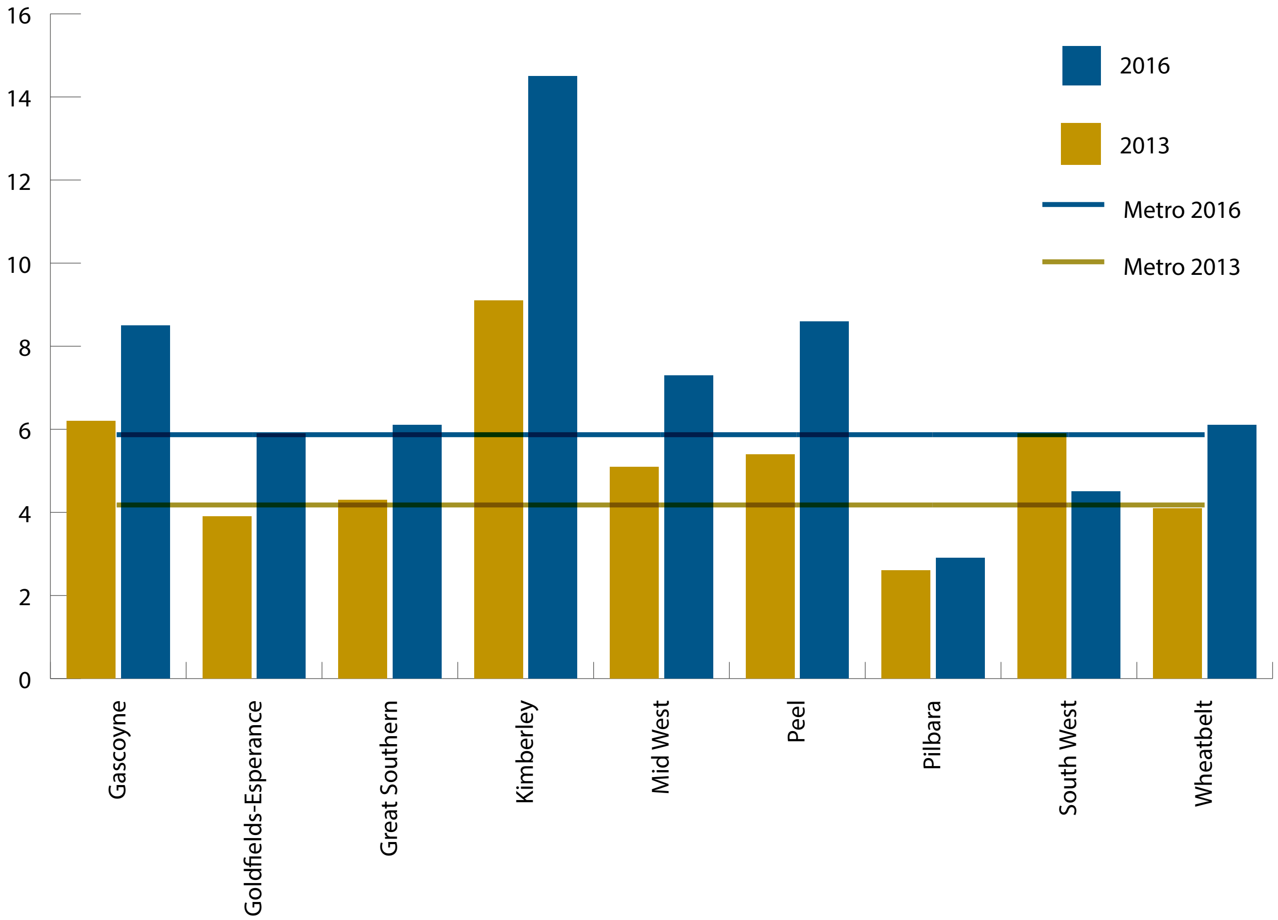
Most regions recorded rising unemployment levels between 2013 and 2016 (see Figure 1).

It should be noted also that the national unemployment figures produced by the ABS only include people who actively looked for a job in the previous four weeks. Accordingly, some commentators suggest that the official figures undercount the actual number of people who cannot find work.

In addition, the unemployment figures mask the full extent of spare capacity in the labour market, with the underemployment rate (which captures employed persons who would like to work more hours) at a near record high of 10.4% in February 2017, just after the survey was conducted.[3]

Modest employment growth was recorded across regional Western Australia during this period, with all regions except the South West recording annual average employment growth of less than two per cent over the past two years.

Figure 1: Unemployment rates, comparison of 2013 and 2016



2 *Productivity Commission 2017, Transitioning Regional Economies: Initial Report, viewed 15 June 2017, http://www.pc.gov.au/inquiries/current/transitioning-regions/initial*

3 *ABS 6202 Labour Force, viewed 30 August 2017, http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Aug%202017?OpenDocument*

SUPPORTING REGIONAL EMPLOYMENT

CHANGING LABOUR MARKET

1.2%
Average regional employment growth over the past three years

5.7%
Regional unemployment rate in the 2015-16 financial year

Increasing rates of part-time employment

DECLINING CONFIDENCE

In general, regional residents are less positive about their employment prospects than they were in 2013

COMMITMENT TO THE REGIONS

However, the majority of residents are committed to their communities and happy with their quality of life

Changes are also evident in the types of jobs generated across the State. In the lead up to the 2016 survey period, the State recorded seven consecutive quarters of falling full-time employment, while part-time employment grew considerably over the same period.[3] On the one hand, the increasing proportion of part-time employment reflects increasing demands for flexibility in the labour market from both employers and employees. On the other hand, this flexibility is denying many part-time workers the opportunity to work additional hours and increase their earnings.[4]

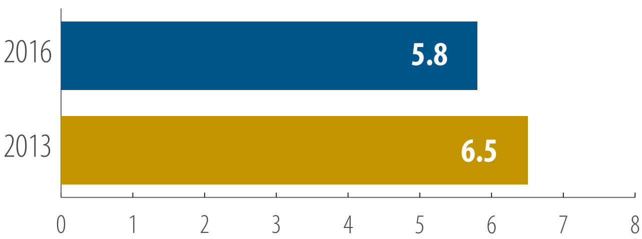
While the metropolitan employment market is expected to recover in coming years, expectations of the regional labour market are less positive. The Commonwealth Department of Employment estimates employment growth in regional Western Australia of 1.7 per cent between 2016 and 2020, compared to 8.4 per cent growth in the Greater Perth region.

The reason for these different prospects is the relative diversity of the metropolitan labour market compared to the regional labour market, which is concentrated in primary industries and social services. The forecast is more positive for employment growth to 2020 in Bunbury (3 per cent) and Mandurah (4.2 per cent), centres which are less reliant on agriculture and mining compared to most parts of regional Western Australia. The industry sectors with the highest projected employment growth in these centres are Arts and Recreation Services, Health Care and Social Assistance and Education and Training.[5]

Respondent views on employment reflect these conditions.

In line with the employment data, working age[6] regional residents were less positive about their employment prospects than they were in 2013 (see Figure 2 below).

Figure 2: Satisfaction with employment prospects



3 *Department of Training and Workforce Development 2016, Labour and Economic Snapshot – September 2016, viewed 22 May 2017, http://www.dtwd.wa.gov.au/sites/default/files/uploads/wd-labour-economic-snapshot-september2016.pdf*

4 *The Sydney Morning Herald 2016, Part-time jobs boom: flexibility for business but underemployment for workers, 23 August 2016, viewed 25 July 2017, http://www.smh.com.au/money/parttime-jobs-boom-flexibility-for-business-but-underemployment-for-workers-20160817-gquh3w.html*

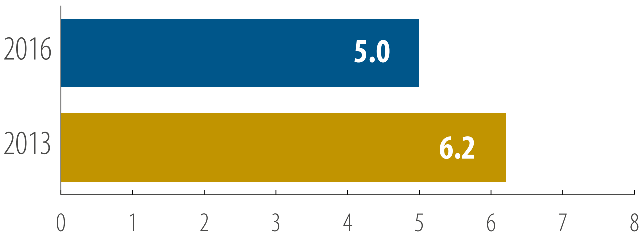
5 *Department of Employment, 2016 Employment Projections, viewed 22 May 2017, http://lmip.gov.au/default.aspx?LMIP/EmploymentProjections*

6 *Working age refers to respondents aged between 18 and 60 years of age*

Confidence regarding employment prospects dipped in all regions compared to 2013. The most significant differences were recorded in the Mid West, Pilbara and Kimberley regions. Like 2013, the lowest levels of satisfaction were recorded in the Peel region.

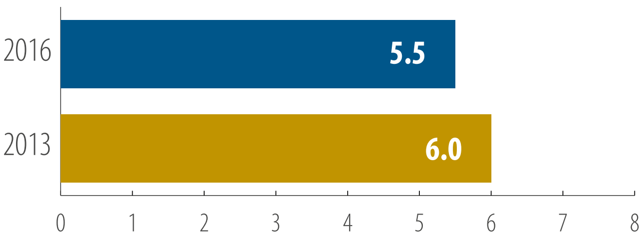
Views on employment prospects declined across demographic groups. Respondents aged 60-69, of whom more than half are still working, are markedly less positive about their employment prospects than they were in 2013. This is concerning given the ageing regional population and the increasing tendency of Australians aged over 60 to keep working (see Figure 3 below).

Figure 3: Satisfaction with employment prospects – 60-69 years



Workers in part-time employment are also less positive than they were in 2013. This is notable given the increasing prevalence of part-time work (see Figure 4 below).

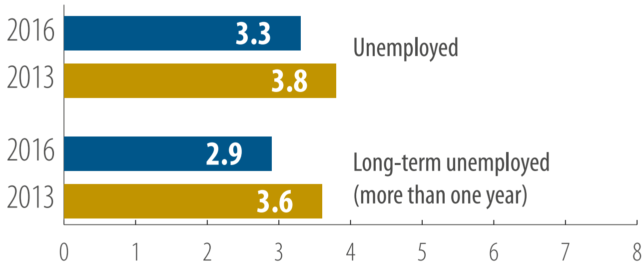
Figure 4: Satisfaction with employment prospects – work part time/contract



Unsurprisingly, unemployed persons were dissatisfied with their employment prospects, reflecting the moderate employment market in regional Western Australia. Respondents who had been unemployed for more than 12 months were particularly pessimistic compared to 2013.

This suggests that changing economic conditions have made employment less accessible for people out of work, and particularly people who have been out of work for a long time (see Figure 5 below). Unemployed respondents in the Peel region provided a particularly low score of 2.3 out of 10 for their employment prospects.

Figure 5: Satisfaction with employment prospects – unemployed



Fewer respondents to the 2016 survey identified employment opportunities as an important reason for living in regional WA (see Figure 6 below). This may reflect the impact of the changing economic climate on motivations for living in the regions. In the early part of the decade, employment opportunities in the resources sector drew many people to the North West. Over the past three years, many of these people have left the regions as investment in resources construction has declined. Residents who remain in the regions are likely to place greater value in other, non-financial aspects of regional living.

Figure 6: Employment opportunities are an important reason for living in the regions

At the same time, regional residents are increasingly committed to their communities.

Despite the changing economic circumstances, it is notable that more working-age respondents plan to remain in the regions compared to 2013 (see Figure 7 below). In particular, fewer respondents under 30 planned to move in 2016 compared to 2013 (see Figure 8 below).

These results also reflect changes to employment prospects. During the resources construction boom, many individuals under 30 moved at regular intervals to take up highly-paid employment opportunities. In 2016, the softening labour market has reduced the opportunity cost of living in one place for an extended period, and as a result younger people are more likely to stay living in their current location.

The 2016 results indicate higher levels of happiness and lifestyle satisfaction among regionally-based young people compared to 2013. This is likely to be influencing the preferences of many young respondents to commit to regional living.

Figure 7: Staying or leaving? – all respondents

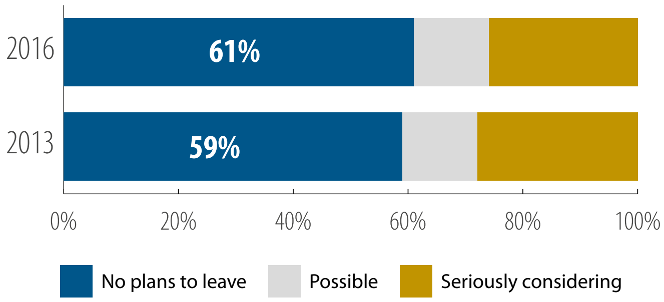
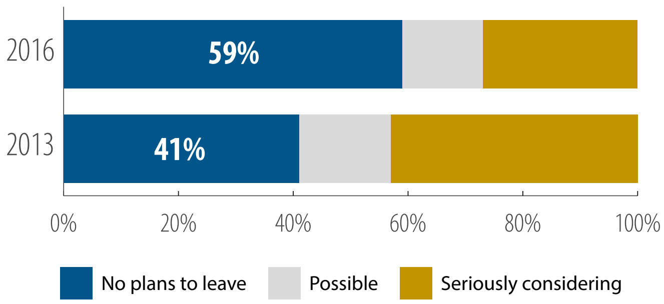


Figure 8: Staying or leaving? – respondents under 30 years of age



The 2016 results demonstrated particular satisfaction among respondents with high levels of community engagement. Regular participants in community activities and volunteering felt more connected to their community, more positive about the strength of their community and happier overall.

Initiatives to support job creation should create opportunity and improve the confidence of regional residents in their employment prospects.

After a sustained period of strong growth, the Western Australian economy is at a point of transition. The survey results highlight the uncertainty that this change is creating among regional residents regarding employment prospects.

However, this uncertainty is not discouraging people from living in the regions. The majority of survey respondents are committed to regional living and to their communities. This demonstrates the resilience of regional residents in a tough economic climate. It also points to the impact of a softening labour market, where people are less likely to move frequently to access highly paid jobs.

Stimulating the regional economy through well directed public investment, and promoting economic diversification will increase the confidence of regional residents in their employment prospects. For example, the Western Australian Industry Participation Plans for construction and major projects will promote the creation of local jobs through government procurement. In relation to diversification, support for emerging, innovative industries should create employment opportunities in regional Western Australia, particularly in regional centres like Bunbury and Mandurah.

FOCUS AREA 2: PROMOTING REGIONAL ECONOMIC GROWTH AND DIVERSIFICATION

Western Australia experienced unprecedented economic growth over the past decade, built on sustained demand for resources from China, Japan and other Asian countries. More recently, economic growth has slowed. Falling commodity prices are limiting investment certainty, and there is little evidence of growth in the services sector, and therefore little evidence of economic diversification.[7]

The 2016 survey results demonstrate regional residents' awareness of these changes.

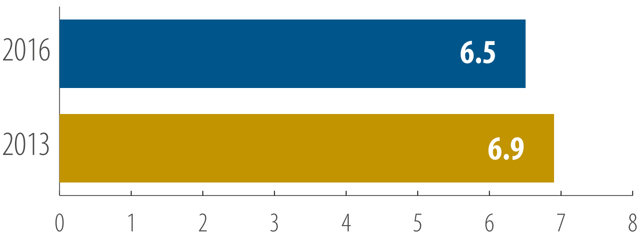
Respondents reported declining confidence in their financial situation and their region's economic outlook.

In 2016, the regional economy was not performing as strongly as it was in 2013. The value of major project investment dropped 12 per cent from June 2013 to June 2016, and the value of building approvals dropped by 28 per cent between 2013 and 2016.[8 9]

In the 2015-2016 financial year WA's Gross State Product increased at a modest rate of 1.9 per cent. This was the second lowest rate of growth across Australia. By contrast, economic conditions were buoyant in 2013, with a 5.8 per cent increase between 2012-13 and 2013-14, which was the highest rate of growth in Australia.[10]

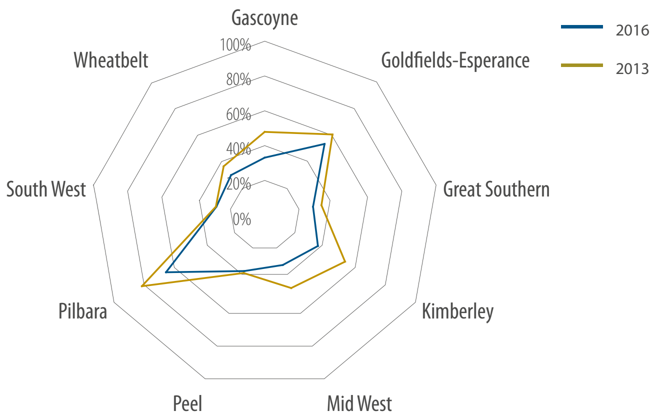
Respondents in 2016 picked up on these softening conditions. Working age respondents were less positive about their financial situation compared to 2013 (see Figure 9 below). Respondents from six of the nine regions recorded lower levels of satisfaction than 2013, but there was little variation across the regions.

Figure 9: Satisfaction with financial situation



In keeping with these results, fewer 2016 working age respondents reported that living in the regions was good for them financially. However, the majority of Pilbara and Goldfields-Esperance respondents remain very positive about the impact of where they live on their financial situation (see Figure 10).

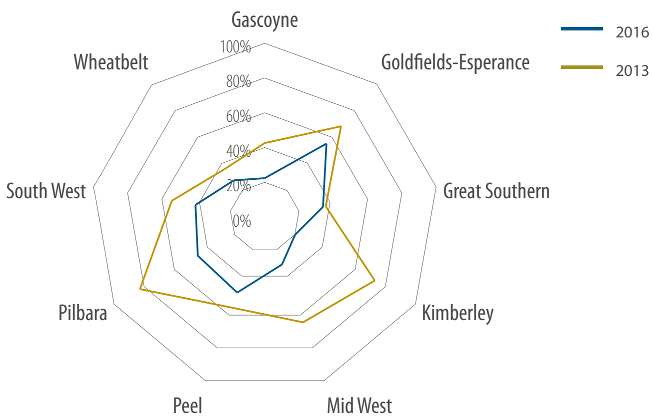
Figure 10: Living here is good for me financially



In 2016, fewer respondents identified their region's economic outlook as important reason for living in the regions. Every region recorded a decline in this area, and the biggest drops were recorded in the Kimberley, Pilbara and Mid West regions. This is in line with the softer economic conditions in the North West following the downturn in resources construction activity (see Figure 11 below).

Similar to the result for employment opportunities discussed earlier in the report, the reduction in residents motivated by economic conditions may reflect a change in perceptions of regional living. In 2016, regional residents are more likely to prioritise non-financial motivations for living where they do.

Figure 11: My region's economic outlook is an important reason to live here



7 *Deloitte 2017, WA Economic Outlook – June 2017, viewed 26 July 2017, https://www2.deloitte.com/au/en/pages/economics/articles/wa-business-outlook.html*

8 *Deloitte Access Economics Investment Monitor 2016, Project Investment June 2016*

9 *ABS 8731 Building Approvals, 9 August 2017, viewed 10 August 2017, http://www.abs.gov.au/austats/abs@.nsf/mf/8731.0*

10 *ABS 5220 State Accounts 2015-16, viewed 12 May 2017, http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/5220.02015-16?OpenDocument*

THE REGIONAL ECONOMY

Western Australia's Gross State Product increased by a modest 1.9 per cent in 2015-16, compared to a 5.8 per cent increase in 2013-14.

↓12%
Decline in major project investment between 2013 and 2016.

↓9%
Drop in number of regional businesses between 2013 and 2016.

FINANCIAL SITUATION

2016 respondents were less satisfied financially than 2013 respondents.

COST OF LIVING

Respondents were less concerned about cost of living than 2013.

In response to the softer economic conditions, respondents were less concerned than in 2013 about cost of living pressures. These issues, however, remain important concerns for respondents in the North West.

The differences in the cost of living between the metropolitan and regional areas has closed since 2013. The Regional Price Index[11] shows that, after a period of consistent increases in the cost of living between 2007 and 2013, prices have stabilised across regional WA.[12]

Prices for goods and services in the Kimberley, Pilbara and Gascoyne continue to exceed Perth prices by a considerable margin. The relatively high median income in these regions (according to the 2016 Census) provides some compensation for this disparity.

This is reflected in the survey results. Across most regions, cost of living was a less important reason among those planning to leave than in 2013. However, the cost of living in some regions continues to be significant motivator for moving (see Figure 12 below).

Figure 12: Cost of living a major reason for moving

Targeted investment in economic growth sectors will strengthen and diversify the regional economy.

Regional residents have reported declining confidence in their personal financial situation and broader economic conditions. This lines up with broader indicators of sluggish growth in the regional economy. Turning this situation around will depend on building the capacity of regional economies to adapt and respond to significant economic changes.

The reliance of the regional economy on agriculture and mining leaves many communities vulnerable to fluctuations in commodity prices and other economic shifts. Increased public and private investment in existing and emerging growth sectors will diversify the regional economy and, in time, expand economic opportunity for regional residents. In particular:

- Increased investment in agriculture directed at building a highly productive, internationally competitive and sustainable sector will diversify the industry and, over time, strengthen the regional economy.
- Targeted investment in regional tourism will broaden the range of tourism experiences, stimulate economic growth, and provide new jobs and new business opportunities.
- Government investment in technology parks and through the New Industries Fund will generate jobs in emerging industries.

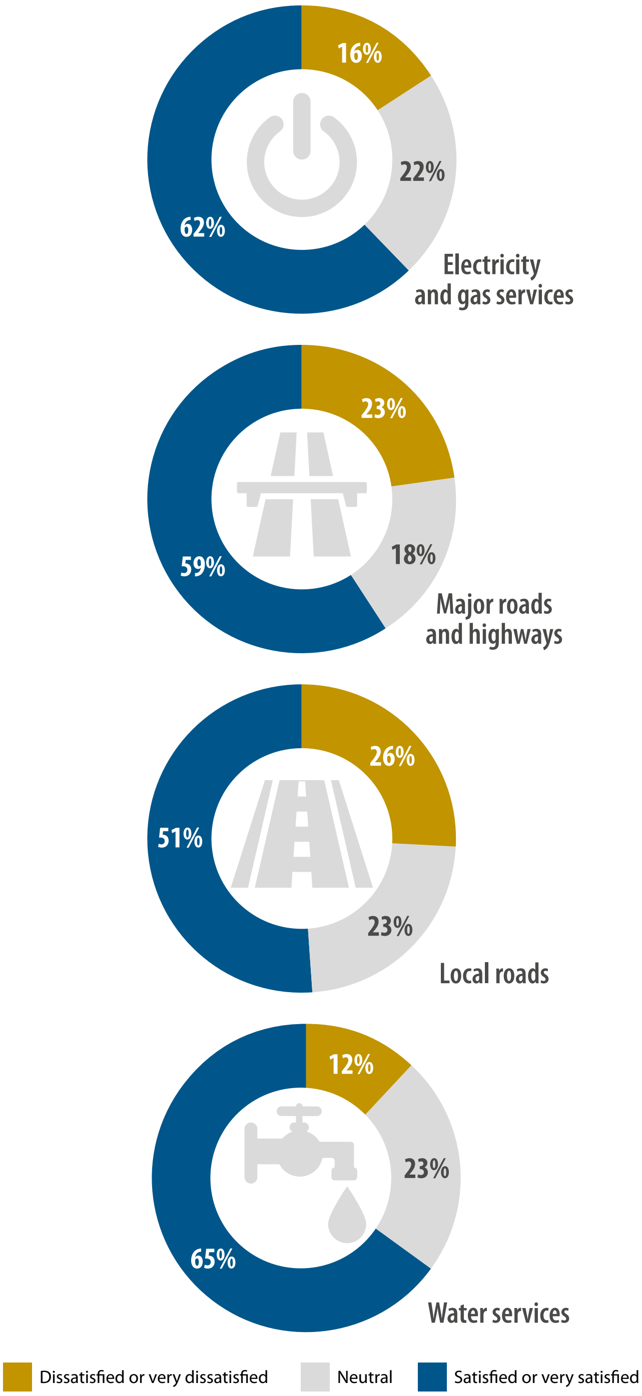
11 The Regional Price Index is collected biennially by the Department of Primary Industries and Regional Development. The index contrasts the cost of a common basket of goods and services at a number of regional locations to prices in the Perth metropolitan region.

12 DRD 2015, Regional Price Index 2015, viewed 10 April 2017, www.drd.wa.gov.au/Publications/Documents/Regional_Price_Index_2015.pdf

FOCUS AREA 3: INVESTING IN SERVICES AND INFRASTRUCTURE

In many regional communities, the quality of services and infrastructure has improved over the past decade as a result of Government investment. However, as the Committee for the Economic Development of Australia notes, persistent issues with some aspects of economic and social infrastructure are adversely affecting economic performance across much of regional Western Australia[13]. The Living in the Regions 2016 survey highlights some of these concerns.

Figure 13: Satisfaction with the standards of roads and highways, water services and electricity and gas services

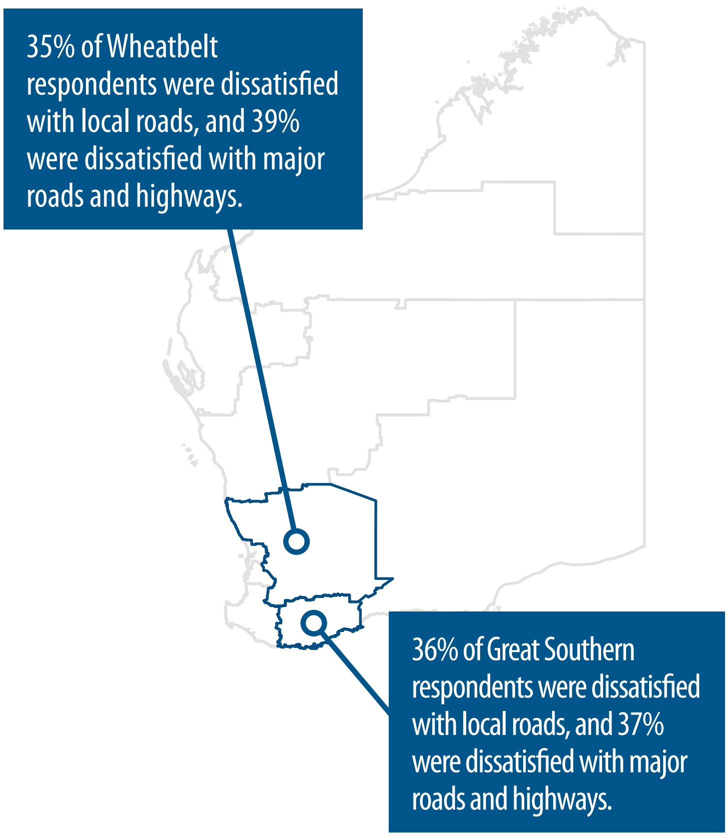


While the majority of respondents were satisfied with the quality of economic infrastructure there were some significant exceptions.

Asked about their level of satisfaction with local services and infrastructure, a majority of respondents were satisfied or very satisfied with the quality of roads and highways, water services and electricity and gas services (see Figure 13).

However, there were a couple of important exceptions to the positive perceptions of these services. Wheatbelt and Great Southern respondents were generally dissatisfied with road infrastructure (see Figure 14 below). According to Main Roads, the roads in these regions are some of the least safe in the state. In 2016, the Wheatbelt recorded the highest serious crash rate of all regions (6.9 crashes per 100 million vehicle kilometres travelled), and the Great Southern recorded the third highest rate (4.8 crashes).[14]

Figure 14: Dissatisfaction with local roads – Wheatbelt and Great Southern



13 *CEDA 2016, Regional Development in Western Australia, viewed 12 April 2017, http://www.drd.wa.gov.au/Publications/Documents/CEDA%20WA%20State%20of%20the%20Regions%20report.pdf*

14 *Main Roads 2016, Regional Digest 2015-16, viewed 1 May 2017, https://www.mainroads.wa.gov.au/Documents/Regional_Digest_2015_2016%20(Signed).RCN-D17%5E2311108.PDF*

Respondents across regional Western Australia were less satisfied with the quality of internet and telecommunications services.

There is clear evidence that internet services are particularly important to regional residents. Recent research by the Australian Communications and Media Authority highlights the growing importance of quality broadband to the regions. As at June 2015, 80 per cent of Australians living in non-urban areas reported a broadband connection at home, compared to only 61 per cent four years ago.[15]

For many regional residents and businesses, reliable mobile connectivity is even more important than fixed line services, such as the NBN. Across Australia, regional residents are more dependent on mobiles than urban residents due to the higher level of mobility in their working and everyday lives. Users in regional areas are more likely to travel long distances and spend extended periods of time outdoors and rely on mobile services for communication and safety.[16]

The quality of the both mobile and fixed line services in the regions continues to be poor. According to the Australian Digital Inclusion Index, which measures access to, and affordability of, internet services, the urban and regional digital divide in WA has narrowed slightly since 2013. However, excluding Peel and the South West, regional WA is still placed amongst the least digitally included regions in Australia.[17]

The survey results reflect this data (see Figure 15). In an increasingly interconnected world, the perceived poor standard of these services may be limiting the potential for regional people and businesses to capitalise on new opportunities.

A number of regions and occupations highlighted significant concerns with the standard of these services.

Gascoyne and Wheatbelt respondents were particularly dissatisfied with internet and mobile telecommunications services (see Figure 16). This correlates with other information on the quality of digital infrastructure in these regions. For example, the Regional Australia Institute ranks the Gascoyne in last place out of 60 regions nationally for its level of technological readiness, while the Wheatbelt is ranked 53rd.[18]

Figure 15: Satisfaction with the standards of internet services and mobile communications

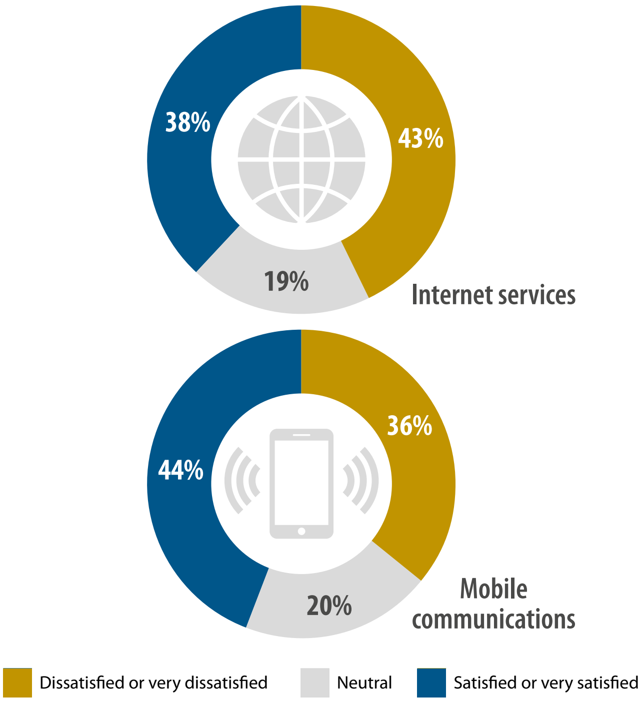
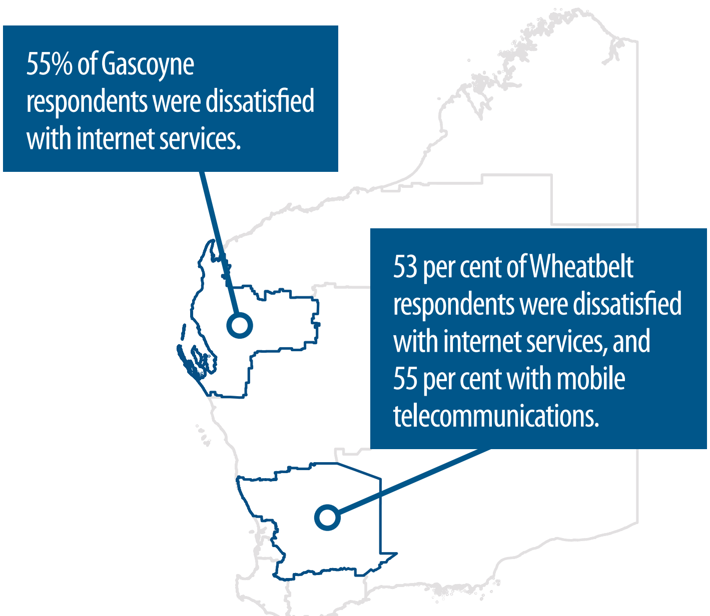


Figure 16: Dissatisfaction with internet and mobile telecommunications – Wheatbelt and Gascoyne



15 Australian Communications and Media Authority 2016, Regional Australians online, viewed 27 June 2017, http://www.acma.gov.au/theACMA/engage-blogs/engage-blogs/Research-snapshots/Regional-Australians-online

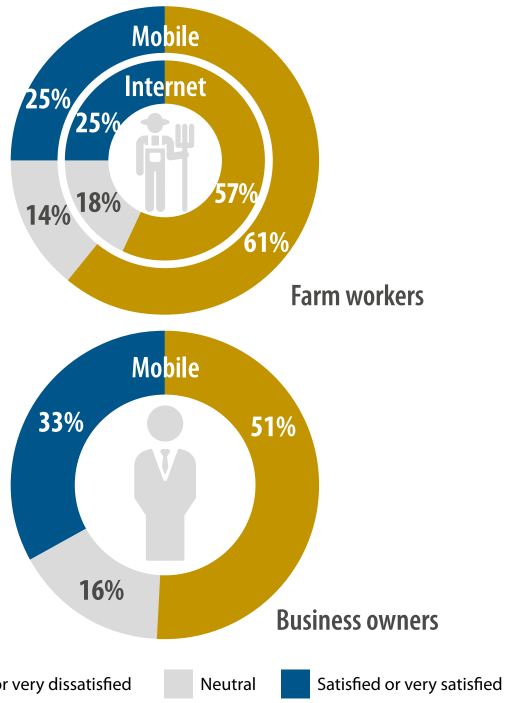
16 Australian Government 2015, Regional Telecommunications Review 2015, viewed 15 May 2017, http://www.rtirc.gov.au/wp-content/uploads/sites/2/2015/10/RTIRC-Independent-Committee-Review-2015-FINAL-Low-res-version-for-website.pdf

17 Australian Digital Inclusion Index 2016, Australian Digital Inclusion Index Report, viewed 15 June 2017, https://digitalinclusionindex.org.au/about/australian-digital-inclusion-index-report

18 Regional Australia Institute 2015, Insight: Australia's Regional Competitiveness Index, viewed 8 May 2017, http://www.regionalaustralia.org.au/home/tools-and-products/insight

Across the regions, farm workers and business owners were generally dissatisfied with digital services (see Figure 17 below). This is a concern for both agricultural productivity and the broader productivity of regional businesses, given the evidence that companies which invest in and utilise new technologies are significantly more likely to experience improved labour productivity than those that do not.[19]

Figure 17: Satisfaction with digital services



High quality digital services are required to maximise opportunities for regional productivity and economic growth.

Survey respondents living in the Mid West and Peel, the regions where the NBN is currently available, indicated the highest levels of satisfaction with internet services across the regions. In other regional centres, the timeframe for the availability of NBN services is unclear. For rural and remote residents, there are concerns that the SkyMuster satellite services will not be sufficient to meet the demands of people outside regional centres.

REGIONAL SERVICES AND INFRASTRUCTURE

ECONOMIC INFRASTRUCTURE

Survey respondents reported high levels of satisfaction with power, roads and water services.

Perspectives on internet and mobile services were less positive.

38% dissatisfied with internet services

44% dissatisfied with mobile services

SOCIAL INFRASTRUCTURE

Perceptions of health and housing are generally more positive than they were in 2013.

However, satisfaction with safety is lower than 2013, in line with recent increases in the incidence of crime.

In addition, the reliability of the mobile network continues to be variable in some parts of regional Western Australia, restricting the ability of individuals and businesses located in regional and remote WA to access markets, collaborate effectively and adopt new technologies.[20]

The Government is investigating options to improve the provision of digital services in regional Western Australia. In particular, the $22 million Agricultural Telecommunications Fund will invest in innovative connectivity solutions to advance telecommunications infrastructure and technology in agricultural and pastoral regions across Western Australia.

Regional residents and businesses will also require support to harness the potential of digital technology. Support for technology-led innovation, including through the creation of regional technology parks and targeted support for innovative start-ups, will maximise opportunities for regional productivity and economic growth.

19 *Australian Industry Group 2013, Ready or not? Technology investment and productivity in Australian businesses, viewed 24 July 2017, http://apo.org.au/node/34420*

20 *Department of Regional Development 2016, Infrastructure audit: Evaluation of Western Australia's agriculture infrastructure priorities, viewed 26 July 2017*

Perspectives on some aspects of social infrastructure are more positive than 2013, but some concerns remain.

Perceptions of health and housing are generally more positive than they were in 2013. This reflects strong government investment in these areas in recent years. However, the trend for perceptions of safety is less positive.

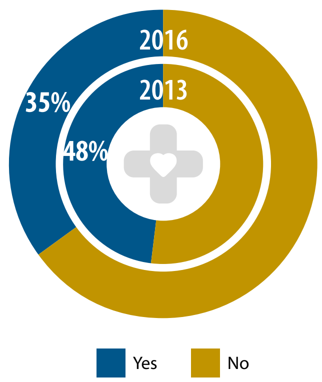
Health

Investment in regional health care has improved facilities in many regional communities. In regional centres, services have been combined in modern, functional buildings to create health care hubs. In many smaller towns, medical facilities have been upgraded and modernised, and access to medical specialists has been improved.[21] Nonetheless, health authorities continue to highlight a significant gap in health outcomes between metropolitan and regional communities. For example, the WA Country Health Service reported in 2015 that rates of death for country people remain significantly greater than metropolitan people, particularly for heart disease, diabetes, some cancers, long term respiratory diseases and transport accidents.[22]

Overall, respondents in 2016 provided a more positive perspective on health services than 2013 respondents. Respondents in 2016 were less likely to identify health services (both quality and access) as reasons why they were considering moving compared to 2013 (see Figure 18). This was the case in every region.

Like 2013, this issue remains most prominent for respondents planning a move in the Gascoyne, Pilbara and Goldfields-Esperance regions, but in each region the issue is less prominent than 2013. This potentially reflects the positive impact of investments in health infrastructure in these regions in recent years.

Figure 18: Planning to move for better health services



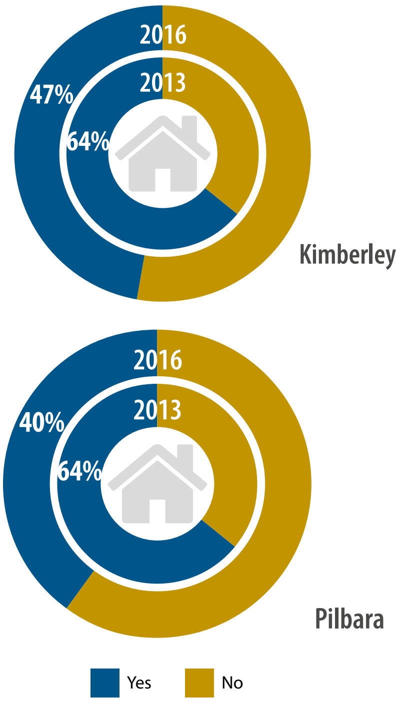
Housing

In recent years, housing prices have dropped in many parts of regional Western Australia, particularly in the North West. This is reflected in the survey results. 2016 respondents were less likely to identify cheaper housing as a reason to move compared to 2013. In particular, the importance of housing as an influence on moving has diminished for Kimberley and Pilbara respondents (see Figure 19). However, it was still a key motivator for movers in these regions.

21 WA Country Health Service 2016. Annual Report 2015-16, viewed 12 June 2017, http://ww2.health.wa.gov.au/~/media/Files/Corporate/Reports%20and%20publications/Annual%20reports/2016/wachs-annual-report-2015-16.ashx

22 WA Country Health Service 2015, Strategic Directions 2015-2018: Healthier Country Communities through Partnerships and Innovation, viewed 12 June 2017, Annual Report 2014-15, available at: http://www.wacountry.health.wa.gov.au/index.php?id=457

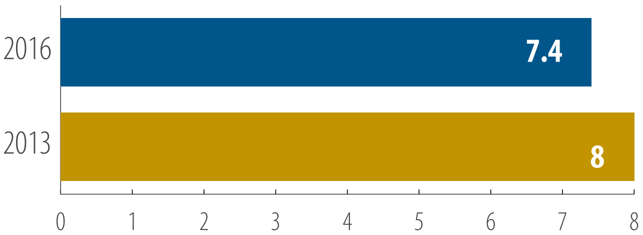
Figure 19: Planning to move for cheaper housing – Pilbara and Kimberley



Safety

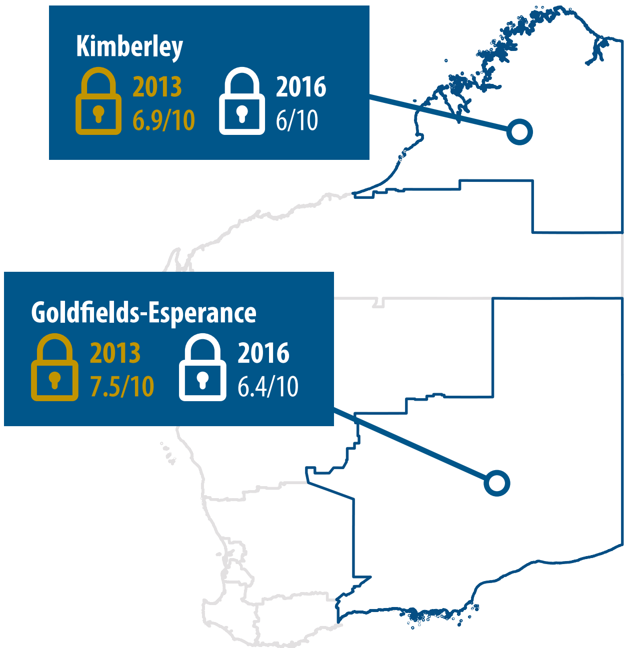
Across all regions, most respondents were reasonably satisfied with their level of safety where they live. However, satisfaction with safety is lower than 2013 (see Figure 20). This may relate to the higher incidence of criminal activity in the regions in 2016 compared to 2013. According to WA Police statistics, crimes against the person committed in regional Western Australia were 22 per cent higher in the 2015-16 financial year than the 2012-13 financial year. [23]

Figure 20: Perceptions of safety



The regions with the lowest satisfaction scores for safety in 2016, and the biggest decreases between 2013 and 2016, were the Kimberley and Goldfields-Esperance regions (see Figure 21 below). The number of total offences against the person was 36 per cent higher in the Kimberley in 2016 compared to 2013, and 22 per cent higher in Goldfields-Esperance.

Figure 21: Perceptions of safety in selected regions (score out of ten)



Planned investments in social infrastructure will improve service quality for regional people

It is encouraging that a lower proportion of 2016 respondents plan to move to access better health services and cheaper housing. This may reflect the positive impacts of recent investments in regional hospital upgrades, and increased housing affordability in the regions.

Further improvements to health services are required to close the gap between metropolitan and regional health outcomes. The Government will be reviewing the provision of specialist services as part of the Sustainable Health Review to ensure that where possible services are delivered closer to where people live.

23 Western Australian Police 2016, Monthly and annual crime statistics, 2015-2016 12 month by districts; 2012-13 12 month by districts, viewed 12 June 2017, https://www.police.wa.gov.au/Crime/Crime-Statistics-Portal/Crime-Statistics-Portal/Monthly-and-annual-crime-statistics

FOCUS AREA 4: ENSURING REGIONAL RESIDENTS CAN ACCESS TRAINING

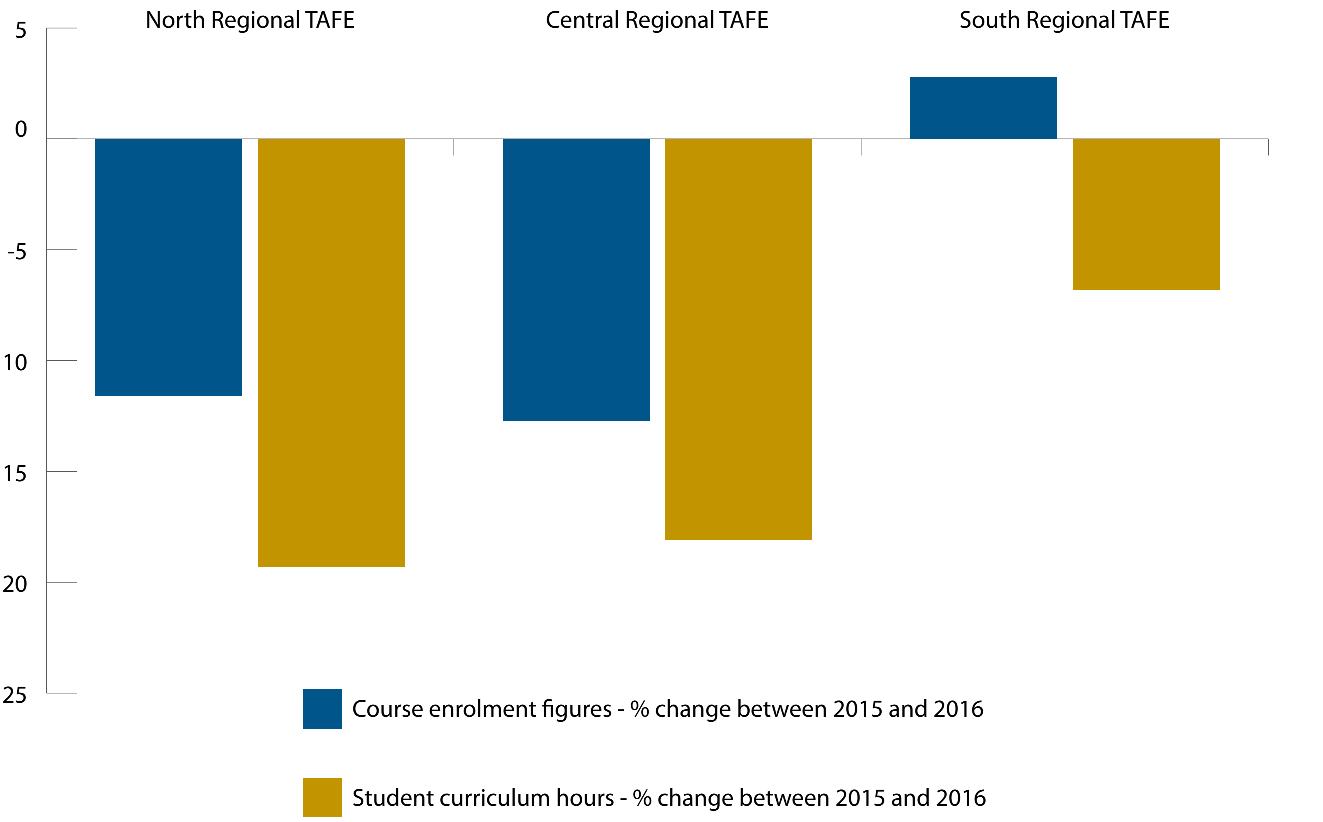
The Productivity Commission notes that inadequate human capital (including skills, education and experience) is a key factor contributing to low adaptive capacity in Australia's regions.[24] To meet future labour demand in a rapidly changing economy, regional people will need to acquire and retain a range of skills and capabilities. The Living in the Regions 2016 survey indicates there is room for improvement in the perceptions of regional education and training offerings, and in the engagement of regional residents in ongoing learning and development.

Respondents continue to register dissatisfaction with regional education and training options

Regional engagement in vocational education declined over the past year (see Figure 22 below). This decline may reflect the impact of fee increases for some TAFE courses in recent years.

Trends in higher education participation by regional residents are more difficult to assess, as the latest data was provided in the 2011 Census. Updated statistics will be available in October 2017 when the second stage of ABS 2016 Census data is released.

Figure 22: Change in regional TAFE enrolments – 2015 to 2016



24 *Productivity Commission 2017, Transitioning Regional Economies: Initial Report, viewed 15 June 2017, http://www.pc.gov.au/inquiries/current/transitioning-regions/initial*

For many regional residents, local options for higher education study are limited. In most regional areas, enrolments are not sufficient to justify a university establishing a campus. As a result, regional residents often have limited opportunities to study locally.

In line with these trends, working-age respondents in 2016 indicated a low level of satisfaction with the education and training options available to them in their communities (see Figure 23 below). The lowest satisfaction levels were recorded in the Gascoyne, Pilbara and Kimberley (see Figure 24 below).

Figure 23: Satisfaction with education and training options

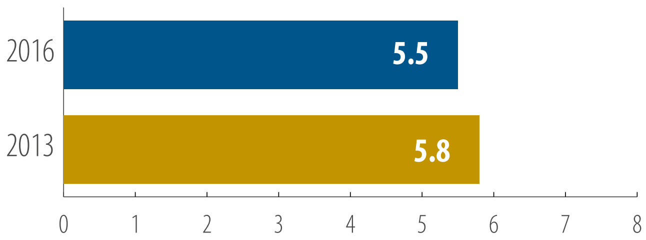
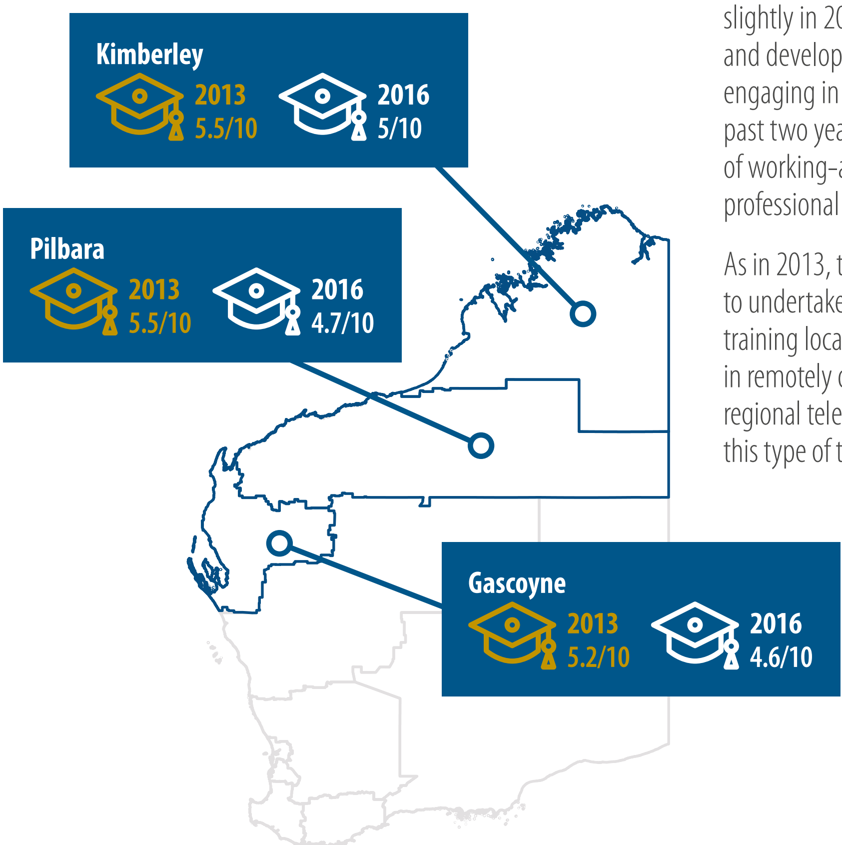
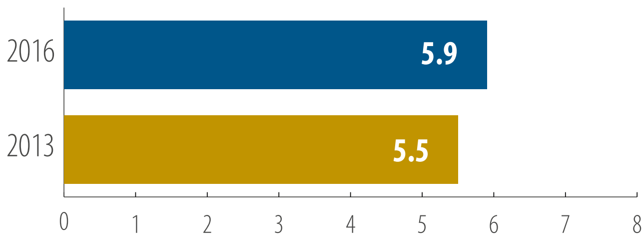


Figure 24: Satisfaction with education and training options in specific regions (score out of 10)



The age of respondents made a significant difference to these perceptions. Respondents under 30 were more positive about their options than they were in 2013, in line with the positive results for this age cohort across many aspects of the survey (see Figure 25 below). In every other age category, respondents were less positive.

Figure 25: Satisfaction with education and training options – respondents under 30 years of age



Four in ten working age respondents identified improved professional development and education and training options as a key reason to move elsewhere. This was consistent with the 2013 results, and similarly important in all regions.

Engagement in professional development also declined slightly in 2016, but strong commitment to ongoing learning and development is evident with two thirds of the workforce engaging in some form of professional development in the past two years. Encouragingly, in every region the majority of working-age respondents reported participation in professional development.

As in 2013, the 2016 respondents were just as likely to visit Perth to undertake professional development, as they were to undertake training locally. The 2016 survey saw no increase in participation in remotely delivered professional development. Improvements to regional telecommunications may expand opportunities to access this type of training in regional communities.

REGIONAL EDUCATION AND TRAINING

SCHOOLING OPTIONS

51% 30-39 year olds moving for better schooling options **for their kids.**

60% Parents of **primary school students** moving for better schooling options.

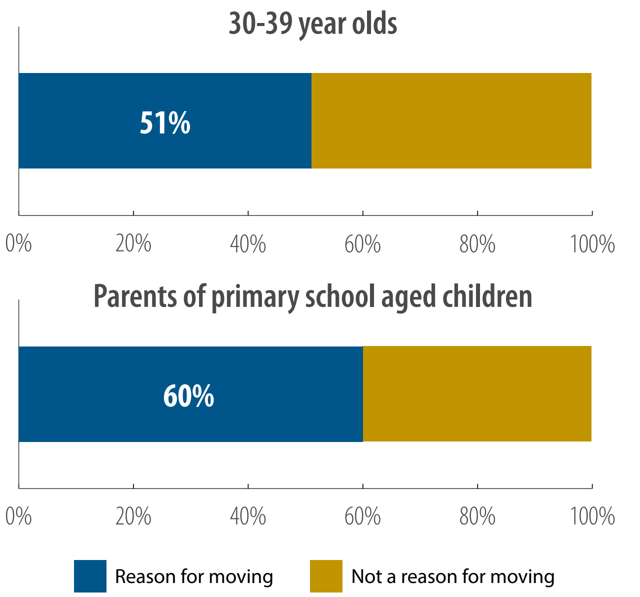
SOCIAL INFRASTRUCTURE

5.5/10 Average happiness rating with education and training options

Regional engagement in vocational education declined over the past year, and higher education options are limited for many regional residents.

Trends in professional development are more positive. Two thirds of regional residents undertook professional development in the past year.

Figure 26: Looking to move for better schooling options



Schooling options are also a concern for some regional residents.

Alongside professional development and ongoing education and training, survey respondents were also asked about their views of schooling in regional communities. Broader evidence highlights a significant gap between the educational attainment of students from regional, rural and remote Australia and metropolitan students. This gap is evident at all levels of schooling, including the proficiency levels of primary and early secondary students in reading, mathematic and scientific literacy, Year 12 attainment and rates of transition to further education.[25]

Respondents to the 2016 survey demonstrated an awareness of these trends, and a willingness to relocate if required to pursue better schooling options for their children. While only one in four respondents signalled access to better schooling as an important reason for moving overall, this figured as a key issue for parents and people in the 30-39 age bracket (see Figure 26).

Among 30-39 year olds willing to move, the proportion looking to do so for better schooling options varies significantly by region. This was not a prominent reason among movers in this age bracket from the South West, Peel and Mid West, but emerged as a major reason for 30-39 year old movers in the other regions.

Additional support for regional schools and reforms to the education and the training system should improve the confidence of regional residents in regional education and training options.

The Government will appoint an Independent Learning Coordinator (ILC) in 10 regional schools to support regional students. The ILC will be complemented by a Regional Learning Specialists (RLS) team in each curriculum area of Science, Social Science, Mathematics and English to visit regional schools and run classes for students.

The Government has also committed to employing additional Education Assistants to work with socially disadvantaged students across the state. An extra 50 Aboriginal and Islander Education Officers will be employed in regional WA to give local Aboriginal children additional assistance.

In the education and training sector, the freeze on TAFE fees will make vocational education more affordable for regional people, and should arrest the recent decline in enrolment numbers in TAFE courses. Reforms to maximise apprenticeship and trainee positions will provide more options for young people in the regions.

25 Australian Government 2017, Independent Review into Regional, Rural and Remote Education – Discussion paper

CONCLUSION

The Living in the Regions 2016 survey provides a fascinating insight into the perceptions, attitudes and experiences of residents in regional Western Australia. The results reflect the challenges faced by individuals in the current economic climate, and highlight areas where improvements are required to assist regional communities to adjust to changing conditions.

The results from this social survey only tell part of the story of what is happening in the regions. Information from the survey should not be treated as empirical evidence. By detailing a range of evidence from authoritative state and national sources, however, this report demonstrates the clear links between the sentiments expressed by those surveyed and the reality of regional economic and social conditions.

The report also demonstrates that the Government is putting in place a range of initiatives to remove barriers experienced by regional residents, and harness the commitment and connectedness of regional people to their communities.

This is a high level report, and as a result there are many data items from the survey that are not considered in detail in these pages. The Department is committed to releasing the full set of results from the survey. These results can be accessed on the Department's website at www.dpird.wa.gov.au.

The survey provides a fascinating insight into the perceptions, attitudes and experiences of residents in regional WA

APPENDIX 1: METHODOLOGY

Just over 600 telephone interviews were conducted to supplement response rates in undersampled groups

A key objective of the survey was to ensure that a wide cross-section of the regional community provided their views on living in regional Western Australia. To achieve the target of 10,000 respondents, the survey form was made available in both paper and online formats.

The former Department of Regional Development (the Department) engaged Ernst and Young to conduct the survey.

A total of 50,000 surveys were mailed to randomly selected regional residents with respondents having the option of filling out the survey booklet, or following the link printed on the booklet and completing the survey online. There were no unique identifiers on the survey itself, to ensure that the survey was completely anonymous.

At the outset of the survey, a target response rate was set for each region and progress against these targets was monitored throughout the survey period. A target of 15 per cent was also set for the under 30s demographic, which was undersampled in the 2013 survey.

As the survey period progressed, some of these targets were more difficult to reach than others. To supplement response rates in undersampled groups, just over 600 telephone interviews were conducted in December 2016.

While these efforts increased the balance of responses across regions and demographic groups, some weighting of responses was also required to address variances in response rates across demographics and region. The data was weighted to the Australian Bureau of Statistics (ABS) Estimated Resident Population statistics by region, age and sex. This weighting brings the survey into line with the characteristics of the population of regional Western Australia, and makes the results more representative of the population.

The survey sample constitutes a representative sample of the regional community. The sample population is statistically valid at a confidence level of 99 per cent and a confidence interval of 1.3.

The 2013 survey instrument was used as the basis for the 2016 survey. The biggest changes were the addition of questions on Aboriginality and the quality of local infrastructure and services. Other changes related to combining similar questions, changing wording and removing a small number of questions to reduce the length of the survey.

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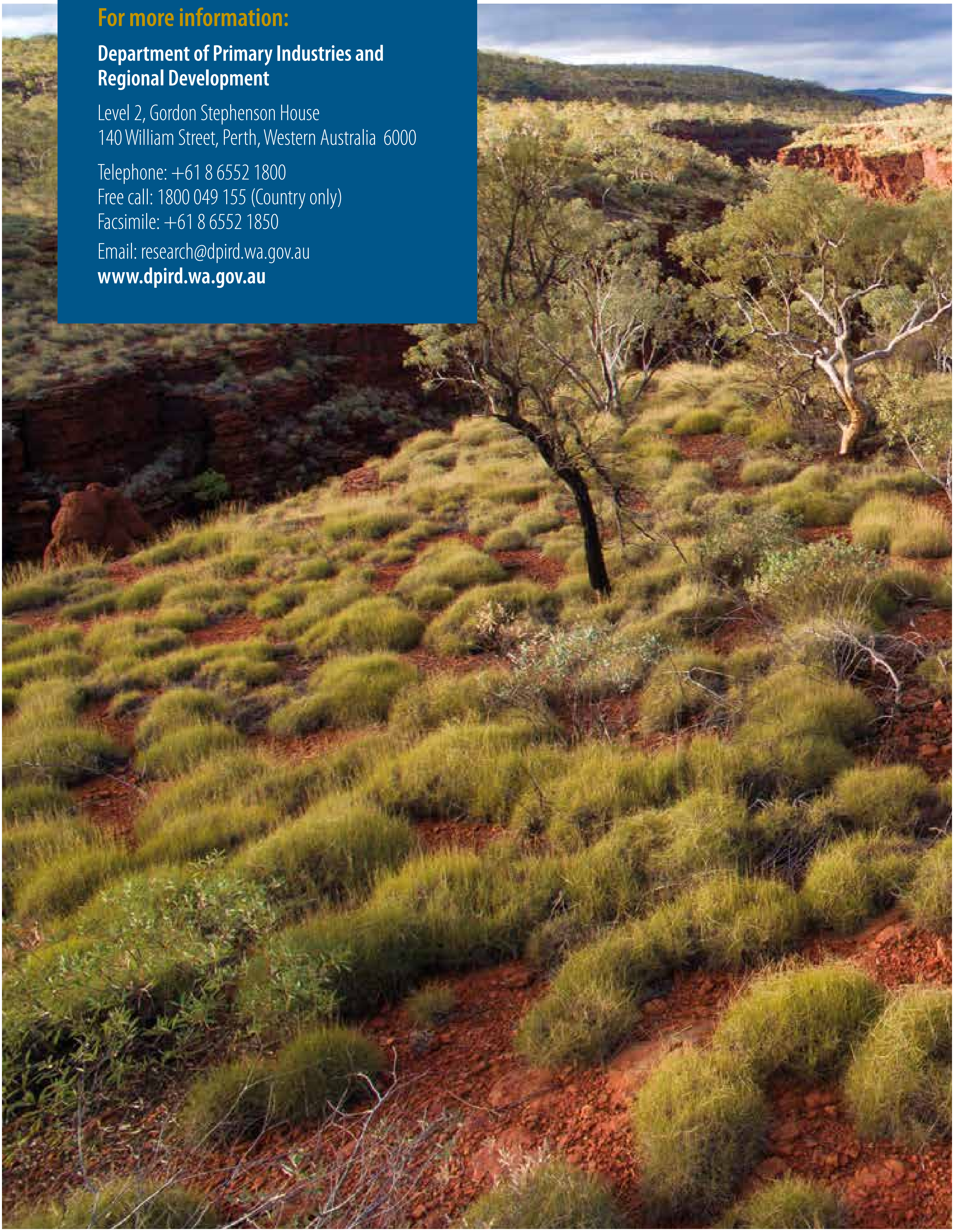

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