

Indicators of Regional Development in Western Australia



Prepared by
URS Australia Pty Ltd for the
Department of
Local Government and Regional Development

Foreword

The Indicators of Regional Development in WA report has been prepared for the State Government to provide a comprehensive overview of what is happening in regional Western Australia. The report was prepared by consultants URS Australia, under the leadership and direction of the Department of Local Government and Regional Development.

Over 100 indicators have been assembled and analysed, covering the three main areas of regional development: economic, social and environmental. The indicators were selected in consultation with each of the nine regions, particularly through the Regional Development Commissions.

Much of the information has not been available before in a public document, at least not in the form presented. This fact, together with the sheer breadth and depth of information presented, makes this a unique document which will be of interest and importance to residents and organisations throughout the State for years to come.


The report will inform regional communities about their region, and how they compare with other parts of the State, particularly Perth. Metropolitan communities will be better informed about regional areas of the State.

Individual indicators generally compare the performance of regions with Perth, wherever this is possible. This benchmarking of regions' status against Perth will be of great assistance to Government in developing policy and making resource allocation decisions.

There are many sectors of the report which tell a positive story about the performance of regions compared to Perth. They clearly demonstrate that a lot more can be done to promote the quality of life enjoyed by regional residents and in doing so redress misconceptions of many city people. At the same time there are some indicators where the relative performance of regions overall is not as good as Perth. These are the areas and sectors the Government will continue to concentrate on to close any gaps between the city and the country.

The indicators in this report will also be drawn on to assist the Government in preparing its Regional Policy Statement, to be released in final form later in 2003.

I invite all Western Australians to have a close look at the Indicators report. I am sure you will find it interesting and informative.



HON DR GEOFF GALLOP MLA
PREMIER

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1 Introduction

The Western Australian Government is committed to the development of strong and vibrant regions.

Indicators of Regional Development in Western Australia (hereafter also termed the *Regional Indicators Report*) presents a picture of regional Western Australia in 2002, within a framework that considers the Government's strategic approach to regional and sustainable development. The indicators in the Report measure the contribution made by governments, the private economic sector and communities to regional development, and the status of the regions in terms of economic, social and environmental outcomes. It tells the story of what is happening in the regions through examining a range of qualitative and quantitative indicators and makes comparison with State and Perth metropolitan data and information where appropriate.

The methodology and presentation has also been informed by national and international examples of the use of indicators to track performance in outputs and outcomes that impact human welfare and environmental quality.

The production of the Report has been managed by the Department of Local Government and Regional Development through a Working Group, assisted by the nine Regional Development Commissions and a Reference Group comprised of representatives from agencies with key roles in regional development. URS Australia Pty Ltd was engaged to work with these groups in producing this report.

1.1 About this Report

Section 2 provides the context for the development and use of indicators of regional development. It presents the Government's structures and strategies for regional development. It also defines the regions of Western Australia, and the role of the Regional Development Commissions. **Section 3** presents the project objectives and intended use of the Report. **Section 4** presents the methodology and also reviews key national and international literature, before presenting a reporting framework.

Section 5 summarises the state of the regions using selected 'key' indicators, **Sections 6, 7 and 8** present indicators for regional economic, social and environmental criteria, including relevant governance measures. **Section 9** provides acknowledgments and a bibliography.

Annex A presents separate Summary Reports for each of the nine regions, with other supporting information in **Annexes B to E**.

2 Background

2.1 Government initiatives in sustainable development

The State Government is committed to implementing the principles of sustainability across the State. The Cabinet Standing Committee for Regional Policy chaired by the Premier has expressed support for the development of a future which is based on sustainable development and which reports progress in a 'triple bottom line' format. The commitment recognises that sustainable development has environmental, economic and social outcomes. The Government has established a Sustainability Policy Unit within the Department of Premier and Cabinet. This Unit released *Focus on the Future: The Western Australian State Sustainability Strategy: Consultation Draft* in September 2002. This strategy is very important for regional WA and will be the basis for long-term local plans. It has indicators and targets across economic, social and environmental domains.

2.1.1 Underpinning principles for Government in Western Australia

The following principles are guiding Government in its strategic decision-making processes:

- Honest, accountable and inclusive government.
- Sound financial management.
- A growing and diversified economy.
- Strong and vibrant regions.
- Safe, healthy and supportive communities.
- An educated and skilled future for all Western Australians.
- A valued and protected environment.
- A just relationship with Indigenous Western Australians.
- Intergenerational equity.

Strong and vibrant regions, although it stands as a separate principle, can only be achieved if considered in the context of all the above principles.

2.2 Regional development in Western Australia

Regional Western Australia encompasses over 90 per cent of Western Australia's land area, and supports a population of more than 500,000, being 27 per cent of the State's population. The regions provide 20 per cent of the Nation's and 83 per cent of the State's exports, most of this originating from primary and resource industries.

The Government appreciates the contribution that regional Western Australia makes to the National and State welfare and has a strong commitment to providing the services and infrastructure that will ensure sustainable regional development that delivers economic, social and environmental outcomes.

2.2.1 Government structures

Cabinet Standing Committee on Regional Policy

The Government has established a Cabinet Standing Committee on Regional Policy. The Committee is comprised of the Premier as Chairperson, and the four Ministers having responsibility for regional development through the nine Regional Development Commissions.

The Hon Tom Stephens MLC is responsible for the Gascoyne, Pilbara and Kimberley regions; the Hon Kim Chance MLC is responsible for the Midwest, Wheatbelt and Great-Southern regions; the Hon Nick Griffiths MLC is responsible for the Goldfields-Esperance region, and the Hon Jim McGinty MLA is responsible for the Peel and South West regions. In addition, the Hon Tom Stephens MLC, Minister for Local Government and Regional Development has a cross-regional responsibility for regional development.

Regional Development Commissions

The Regional Development Commissions (RDCs), are crucial and central components in regional development in WA. They play a key role in facilitating networks and partnerships across agencies operating in the regions. They have a strong commitment to improving the quality of services in their regions and the contribution those services make to better environments for their communities.

Objectives for the Regional Development Commissions

The specific objectives of the Commissions are spelled out in the *Regional Development Commissions Act 1993*. The Act states the following ‘The objects of a Commission are to –

- (a) maximise job creation and improve career opportunities in the region;
- (b) develop and broaden the economic base of the region;
- (c) identify infrastructure services to promote economic and social development within the region;
- (d) provide information and advice to promote business development within the region;
- (e) seek to ensure that the general standard of government services and access to those services in the region is comparable to that which applies in the metropolitan area; and
- (f) generally take steps to encourage, promote, facilitate and monitor the economic development in the region.

For the purposes of achieving those objects a commission is to –

- (a) promote the region;
- (b) facilitate coordination between relevant statutory bodies and State government agencies;
- (c) cooperate with representatives of industry and commerce, employer and employee organisations, education and training institutions and other sections of the community within the region;
- (d) identify the opportunities for investment in the region and encourage that investment;
- (e) identify the infrastructure needs of the region, and encourage the provision of that infrastructure in the region; and
- (f) cooperate with — (i) departments of the Public Service of the State and the Commonwealth, and other agencies, instrumentalities and statutory bodies of the State and the Commonwealth; and (ii) local governments, in order to promote equitable delivery of services within the region.’

There are nine Regional Development Commissions (RDCs), covering the Gascoyne, Goldfields-Esperance, Great Southern, Kimberley, Mid West, Peel, Pilbara, South West and Wheatbelt regions. Each Commission comprises Board members with an interest in the region, supported by executive and project staff.

The boundaries of the nine Regional Development Commission regions provide the basis for reporting in this document. Given that not all agencies are using these boundaries for their regional data collection and reporting, there have been some compromises made in the reporting of indicators at regional scale that are explained in the text of this report.

Regional Development Council

The Chairpersons of the nine RDCs, and two representatives from local government and an independent chairperson, collectively make up the Regional Development Council. It provides advice on regional development to government through the Cabinet Standing Committee on Regional Policy, provides advocacy for regional development and promotes local government partnerships.

The Department of Local Government and Regional Development

The Department of Local Government and Regional Development is headquartered in Perth and provides the following services to the Regional Development Commissions and the Council.

- Regional Development Council Secretariat.
- Program and project support.
- Liaison on Federal regional development matters.
- Training, professional development and capacity building.
- Coordination of regional responses.
- Information and analysis.
- Regional investment tours.

2.2.2 The Draft Regional Policy Statement

The State Government's Draft Regional Policy Statement was released for public comment in November 2002 and will be finalised in 2003. The Statement supports one of the Government's major principles – *'strong and vibrant regions'* and sets out how the Government will work with regions and regional communities in providing services to help them progress sustainable development across economic, social and environmental domains.

The State Government's approach to regional development emphasises regional service delivery, particularly in the social areas of health, education, policing and safer communities. Initiatives already in place include \$75 million Regional Investment Fund, regional investment tours, the restoration of uniform electricity tariffs, and the strengthening of Government regional purchasing arrangements.

Under the Government's pledge to Regional Western Australia, it is committed to the following principles and approaches to support strong and vibrant regions. It will:

- identify and enable fair and just outcomes for regions;
- maximise community consultation so that Government can understand and appropriately respond to regional needs;
- facilitate effective partnerships between Government and regional communities;
- recognise, respect and work with the diversity of regional communities;
- improve the living standards of Indigenous people in regional areas;
- invest in regional infrastructure to build and enhance regional strengths;
- support creative solutions to regional needs based on quality research and development;
- value and protect the environment, and
- measure and report on progress of regional development.

The Vision for Regional Development

(Draft Regional Policy Statement, November 2002)

Western Australian regional communities will be healthy, safe and enjoyable places to live, offering expanded educational and employment opportunities for their residents and a high standard of services.

Regions will have robust, vibrant economies based on the sustainable use of economic, social and environmental resources and a strong partnership approach within and between regional communities, industry and Government.

Goals and outcomes (Draft Regional Policy Statement, November 2002)

Understanding, partnering and delivering better outcomes for regions

- Government decision-making is based on a thorough understanding of regional issues.
- Planning in partnership for a sustainable future.
- Effective Government service delivery to regions.

Growing a diversified economy

- Skilled communities.
- Improved regional infrastructure.
- Diversified regional economies.
- Enhanced regional investment.
- Fair pricing for regional residents and businesses.

Educated, healthy, safe and supportive communities

- Life long learning in the regions.
- Effective health service delivery.
- Safe regional communities.
- Enhanced quality of regional lifestyles.
- Cohesive communities.

Valuing and protecting the environment

- Improved environmental management.
- Sustainable natural resource management.
- Protection of our natural heritage and conservation of biodiversity.

2.3 Current and best practice in indicators of regional development

2.3.1 International experience

International experience in reporting on environmental, economic and social indicators is extensive. The USA, Canada, and Britain are well advanced in the development of national and regional reporting frameworks and methodologies. This work is of significance to the Regional Indicators Project, and provides some useful templates and learning experiences. Three of these projects are profiled below.

- *'Quality of Life Counts: Indicators for a strategy for sustainable development for the United Kingdom- a baseline assessment'*. In 1999 the United Kingdom published "A Better Quality of Life - A strategy for sustainable development in the UK". In order to measure progress towards meeting the goals of this strategy, 15 headline indicators were developed to provide a broad overview of trends. In addition to this, 150 indicators were developed to focus on specific issues and areas for action. Each of these were reported on in 2000 with the baseline report "Quality of Life Counts: Indicators for a strategy for sustainable development for the United Kingdom- a baseline assessment".
- *'Alberta Sustainability Trends 2000'* In 2001, the Albertan Government released the report "Alberta Sustainability Trends 2000". The report was completed in close collaboration with the Pembina Institute for Appropriate Development and represents the first significant effort by a government to incorporate the concept of 'genuine progress' into traditional accounting frameworks.
- *'Minnesota Milestones' and 'Achieving the Oregon Shines Vision: The 2001 benchmark performance report'* The US has been working on sustainability reporting and the concept of genuine progress for some time now. This is taking place at a government level with the Presidents Council on Sustainable Development and with various regionally based initiatives in states such as Oregon and Minnesota. There has also been a good deal of work completed by non-profit research and policy organisations such as Redefining Progress.

2.3.2 National experience

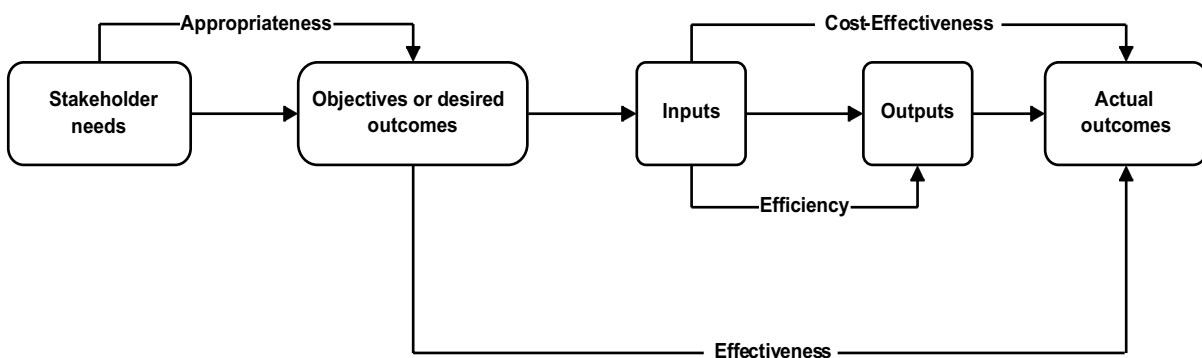
There are three important reference points at a national scale for the Regional Indicators Project. The first of these is the Commonwealth Department of Finance which has established protocols and indicators for evaluating the effectiveness and efficiency of service delivery by Commonwealth Government agencies.

The evaluation methodologies designed by the Department of Finance are used to compare actual outputs and outcomes from the implementation of programs with objectives or expected outputs and outcomes. This information is useful for management and preparation of subsequent investments. The focus is on **outcomes** (the most important criteria for allocating resources and evaluating effectiveness) and **outputs** (often leading indicators of outcomes) rather than **inputs** (which don't necessarily result in change). The schematic presented in Figure 1 summarises the evaluation choices available to Government as a service provider.

There are four types of evaluation identified in Figure 1:

- **Appropriateness**-the extent to which Government objectives/desired outcomes align with defined regional requirements.
- **Effectiveness**-the extent to which Government services are able to deliver actual outcomes that align with objectives.
- **Cost-effectiveness**-the relationship between inputs and outcomes expressed in dollar terms.
- **Efficiency**-the extent to which service inputs are minimised for a given level of outputs, or to which outputs are maximised for a given level of inputs.

Figure 1: Selecting the focus for evaluation



The second area is the work done by other Commonwealth Government agencies, such as the Australian Bureau of Agricultural and Resource Economics (ABARE), the Australian Bureau of Statistics (ABS), the Bureau of Rural Sciences (BRS), and the Productivity Commission, which have collectively generated a large number of relative reports on the economic, environmental and social trends in Australia.

The third reference point is the work of the Australia Institute, which has resulted in the development of a National Genuine Progress Indicator for Australia¹.

2.3.3 State agency experience

All agencies are required to report against performance requirements specified by the Auditor-General. Some agencies have gone further than this already made considerable progress in developing indicators. Examples include *Regional Social Indicators for Aboriginal people in Western Australia*² (Department of Indigenous Affairs) and *Future Perth*³ (Western Australian Planning Commission). The Regional Development agencies have developed a series of status reports for the regions, particularly the *Economic Perspectives* (factors affecting economic performance).

The nine Development Commissions have also been active in documenting the physical and human resources in their regions and in developing and implementing strategies to achieve progress.

These sources of indicators and the data to measure them were an important consideration for the project.

2.3.4 Local government experience

Some local governments are developing mechanisms to report on the state of and trends in their jurisdictions. Until now, most effort appears to have been made in the area of environment, with a number of local governments working on implementing Agenda 21 issues (e.g. Nedlands). In this context some Councils are publishing 'State of the Environment' reports, for example Armadale. In eastern Australia, the City of Newcastle has published *Indicators of a Sustainable Community* (2000).

2.3.5 Corporate sector experience

Conventional corporate reporting has been governed by legislative requirements which focuses on financial performance. In the last decade, there has been a world-wide move to public reporting of corporate performance in environmental management. Australian pioneers included WMC Resources Ltd and BHP Billiton Proprietary Ltd. In recent years, this has extended to reporting contributions to health, safety, environmental and community outcomes, which is beginning to be wrapped up under the banner of 'sustainability reporting'. The Global Reporting Initiative has also developed *Sustainability Reporting Guidelines on Economic, Environmental, and Social Performance*⁴, which will provide an international context to corporate reporting.

¹ Hamilton, C and Denniss, R (2000) *Tracking well being in Australia - The Genuine Progress Indicator 2000*. The Australia Institute Ltd.

² Indigenous Affairs (2000). *Regional Social Indicators for Aboriginal People in Western Australia*. Government of WA.

³ Western Australian Planning Commission (1999). *Future Perth Indicators*. Ministry for Planning, Government of Western Australia.

⁴ Global Reporting Initiative (2000) *Sustainability Reporting Guidelines on Economic, Environmental, and Social Performance*.

3

The purpose of the Report

The *Regional Indicators Report* is a Report to Government from the Department for Local Government and Regional Development and the Regional Development Council and will be distributed widely to regional development stakeholders.

3.1 Project objectives

The objective of the project was to develop and use indicators that are able to report trends in regional development across the nine regions in WA. Specific tasks were as follows.

- Development of an appropriate framework for the *Regional Indicators Report*, set within the context of Government objectives for regional development.
- Development of a comprehensive range of quantitative and qualitative indicators that address the Government's three outcome areas for regional development – 'economic', 'social' and 'environmental'.
- Compilation and analysis of available regional data sets that address the indicators and with comparison of the levels of these indicators between the regions and the Perth metropolitan area.
- Preparation and submission of a complete draft Regional Indicators Report of a quality acceptable to the Working Group (see Section 4) and the Regional Development Council.
- Recommendations for new indicators to be included and data collection requirements to measure performance against these new indicators.
- Recommendations on potential improvements to methodology for future reporting, and to the quality and relevance of future *Regional Indicator Reports*.

3.2 How the Report will be used

The *Regional Indicators Report* will have the following main uses.

- Informing regional communities about their region.
- Informing metropolitan communities about the regions and their people.
- Enhancing the accessibility of key statistics on the regions.
- Benchmarking the regions' status against the Perth metropolitan area.
- Measuring change over time in selected indicators of regional development.
- Contributing to the evaluation of the commitments made in the Draft Regional Policy Statement.
- Influencing government policy and strategy in relation to regional areas.

4 Methodology

The Consultant Team and the Department of Local Government and Regional Development used the following methodology in scoping the project, developing a framework, indicators and data, and in presenting the Report.

4.1 Project governance

4.1.1 Working Group

At the outset of the project, the Department established a **Working Group** to manage the project. The Working Group comprised Ross Mannion and Stephen Yule (Department of Local Government and Regional Development), Jennifer Duffecy (Department of Premier and Cabinet), David Singe (Wheatbelt Development Commission), Don Punch (South West Development Commission), Jeff Gooding (Kimberley Development Commission) and Wayne Scheggia (Western Australian Local Government Association). The Working Group was assisted by John Lim (Department of Local Government and Regional Development) in an executive officer capacity. The Consultant Team from URS Australia Ltd whom worked with the Working Group comprised Dr Don Burnside, Dr Fionnuala Frost, Geoff Moyle, Andrew Thomson and Shane Boladeras.

Working Group roles and responsibilities.

- Project management on behalf of the Department.
- Provision of advice to the consultants about methodology and process;
- Provision of advice and feedback about the reporting framework and indicator selection;
- Final approval of report structure and the indicator set;
- Assistance with data collection and interpretation, and
- Review and final acceptance of the Report on behalf of the Department.

4.1.2 Reference group

A **Regional Indicators Reference Group (RIRG)** composed of nominated representatives of relevant Government Departments who provided input, ideas and advice about desirable indicators and will also arrange for assistance with data sources for the indicators. The agencies on the RIRG are listed below.

Department of Agriculture	Department of Industry and Technology
Department for Community Development	Department of Justice
Department of Conservation	Department of Local Government and Regional Development*
Department of Consumer and Employment Protection	Department of Mineral and Petroleum Resources
Department of Culture and the Arts	Department of Premier and Cabinet*
Department of Education	Department of Planning and Infrastructure
Department of Fisheries	Department of Racing, Gaming and Liquor
Department of Health	Department of Sport and Recreation
Department of Housing and Works	Department of Training
Department of Indigenous Affairs	Department of Treasury and Finance

Disabilities and Services Commission	Tourism Department
Forest Products Commission	Water and Rivers Commission
Gas Access Regulation	Water Corporation
Department of Indigenous Affairs	Western Australian Police Service
Office of Economic Regulator	Western Australian Tourism Commission
Office of Energy	
Regional Development Commissions*	* Working Group Members, which also includes WALGA

Note: Department titles as at time of Reference Group establishment.

Reference Group roles and responsibilities.

- Advocacy for the project and the *Regional Indicators Report* through existing agency networks.
- Assistance to the Working Group and project team with the provision of data for specific indicators available in agency data bases and reporting systems.
- Expert advice to the Working Group on the Report framework and indicators.
- Critical review of the First Draft of the *Regional Indicators Report* for quality of context, interpretation and conclusions.

4.2 Framework and indicator development

4.2.1 Literature review

The Consultant Team reviewed an extensive array of state, national and international literature concerned with establishing and using indicators of performance at regional, state and national scale. Learnings from this review, along with feedback from the Working Group and a consideration of Government objectives and strategies in regional development was used by the Team in designing a preferred framework.

4.2.2 Scoping paper

A Scoping Paper was prepared by the Consultant Team that considered the context, background and objectives for the project. It was used to determine the place and role of the project in both regional development and in the work being done by Government in establishing headline indicators for sustainable development – the ‘true measures of progress’. The Scoping Paper was used as a basis for discussions with the Working Group in refining project objectives and the framework for development of the indicators and Report structure.

4.2.3 Report structure and indicator framework

The development of a Report structure and indicator framework was guided by Government principles and policies relevant in the regions. The nine Regional Development Commissions, the Working Group and members of the Reference Group also contributed to indicator development. A combination of these influences led to the development of the **Key Result Areas (KRAs)** for the three themes, as shown in Table 1 (Page 21).

A fundamental decision related to the overall thrust of the Report. There were two obvious alternatives.

- Reporting could be concerned mainly with the impacts of government services in a region. In this case, use of the model relating inputs, outputs and outcomes in Figure 1 (Page 18) would provide an appropriate framework.
- Reporting would ignore government services *per se*, and simply report the status and trends for major social, economic and environmental indicators, and the drivers for the trends in the regions, regardless of whether they are a result of deliberate government action.

The Working Group, supported by the Reference Group, resolved that both alternatives warranted comment in the Report. While government support for regional development is important to recognise, indicators that are able to measure the drivers on regional activities that are not within the direct influence of government such as commodity prices, levels of private sector investment, and human behavioural aspects also need to be reported. Ultimately, it was decided that the Report should ‘tell a region’s story’ in a manner that allows a region’s residents to determine why their region looks and behaves as it does.

Key result areas for reporting

Separate models for the three themes were then used to provide frameworks for relating the **Key Result Areas** to the respective economic, social and environmental goal areas, as presented in the Draft Regional Policy Statement. Outcomes in the other goal area in the Draft Statement – ‘Government’, are addressed within the three themes.

The KRA frameworks were then used to inform indicator development. The KRAs and their context are shown in Table 1.

Table 1: Key result areas for social, economic and environmental themes

Economic goal – ‘Growing a diversified economy’

Key Result Area	Context
Economic performance	Traditional measures of economic performance eg. GRP, participation in the workforce, unemployment, Regional price index, terms of trade for commodities, and savings/debt levels. Re-distribution of taxes from the regions, retail turnover, net investment into the region.
Infrastructure	Transport, housing, water, energy, land access, planning, public infrastructure. Capital and maintenance levels, use: capacity ratios, cost to providers compared to consumers.
Goods and services	Production, exports from the region, business performance.
Economic resilience	Economic ‘depth’ in the region, Indigenous participation, research & development, government support, business and industry dynamics, adjustment processes.

Social goal – ‘Educated, healthy, safe and supportive communities’

Key Result Area	Context
Education and training	Access to and levels of achievement in primary, secondary, tertiary and vocational education. Qualification profiles by region
Health and well-being	Access to medical facilities, and health promotion, recreational and cultural facilities. Healthy life expectancy, involvement in health enhancing behaviours, industrial impacts, mortality and morbidity.
Community safety	Crime rates and reported offences, evaluation of policing and policing resources, levels of investment to protect households (including insurance), community feelings over safety, costs of crime, and crime as a function of demographics.
Social capital	Social cohesion and generalised reciprocity, generalised trust, community identity.
CALD, gender, youth, seniors	Access to CALD service and CALD participation in the community, gender equity issues, youth aspirations, employment and facilities. Aged care facilities and level of retention in the region.
Community involvement in decision making	Government investment in consultation procedures, level of decision making regional autonomy, evels of discretionary funding at regional scale, regional input to state level decisions.
Personal financial independence	Investment in social security, percentage of people below the poverty line, homelessness.
Equity in communication and professional services	Quality and cost of electronic services, level of use of services, access to regionally based professional services, use of local services.

Environmental goal - ‘Valuing and protecting the environment’

Key Result Area	Context
Land Water Marine Air Biodiversity	<ul style="list-style-type: none"> Natural resource use (pressure) - On-site and off-site environmental burdens and impacts resulting from use of natural resources for agriculture, forestry, fishing, mining, energy etc. Natural capital stocks (state) - Current condition of the land, water resources, ocean environments, atmosphere, biodiversity. Mechanisms and management (response) - Environmental governance - investment in ameliorative activities, new technology, quality of reserve systems, and management plans.

The goals and outcomes for economic, social and environmental domains, and service delivery in the Draft Regional Policy Statement (see Section 2.2.2) provided essential guidance for the development of Key Result Areas for reporting in this *Regional Indicators Report*. However, it is important to note that there is not necessarily a strict alignment between the outcomes and targets in the Draft Regional Policy Statement and the KRAs selected. Firstly, the processes for developing both documents were separate. Secondly, the Regional Indicators Report is not intended to measure performance against the commitments in the Policy Statement *per se*. Instead this Report has a wider purpose of informing regional communities and other interested parties about the regions’ status as stand-alone entities, and how they compare to other areas in the State. Subsequent Reports will provide trends over time. The organisation of the KRAs and their attendant indicators reflect this wider purpose.

4.2.4 Perth as a benchmark for regional development

Western Australia's unusual character, where 73 per cent of the people live in the Perth region, and 27 per cent live in the remainder of this very large state provides an important context for the Regional Indicators Project. In effect, levels of outcomes in economic, environmental and social criteria in the Perth region will form the benchmark against which the status of the regions will be measured. More importantly, Government service delivery and accessibility of those services in the Perth region provides a benchmark for a relative comparison of the quality of servicing in the regions (a measure of regional government 'capability').

4.2.5 Indicator selection

The advice from the Working Group was that capturing the region's story should be achievable with the use of about 100 indicators. For the economic and social themes, the Consultant Team workshopped most of the indicators from a zero-base, using the key result areas, and the frameworks shown in Sections 6 and 7 following as a point of departure. Additional advice was sought from some key agencies about appropriate indicators. The initial list was refined with reference to existing indicators used internationally and nationally and in state agency reporting. The objective was to align the list as much as possible with existing indicators. For the environmental indicators reported in Section 8, most indicators were taken straight from *the State of the Environment Report 1998*.

The original list had over 250 indicators. The first stage in focusing and contracting this list was to evaluate each for the quality of its contribution to the whole picture. Indicators will have value if they meet certain specific criteria. Evaluating suggested indicators against suitable criteria was an important filtering process in generating the minimum number of high quality indicators that address the requirements. Evaluating an indicator against criteria can be done on either a 'yes/no' basis, or by scaling the level of criterion satisfaction.

The list below is drawn from criteria used in assessing sustainability indicators in a range of reporting formats^{5,6}.

- **Validity*** – Does the indicator logically measure the 'item of interest'?
- **Value and relevance*** – Is the indicator likely to be relevant and valuable to the regional community, its activities and the outcomes?
- **Predictive*** – Is the indicator likely to give an early warning about a dangerous or irreversible problem?
- **Goal driven*** – Is the indicator likely to really measure progress to achieving the goal?
- **Future-oriented** – Is the indicator likely to provide decision makers with information about the future?
- **Sustainable** – Does the item of interest being measured have a long-term dimension?
- **Trend** – Is the indicator able to show trends over time?
- **Scope** – Does the indicator deal with an issue relevant to the whole community or only to a small part?
- **Understandable** – Is the intent and meaning of the indicator readily apparent to regional residents?
- **Presentation** – Can the indicator be presented in pictorial, graphical or spatial ways?

⁵ Australia Institute and City of Newcastle (2000). *Indicators of a sustainable community*. Australia Institute, Discussion Paper No. 28.

⁶ City of Onkaparinga (2000). *Monitoring outcomes: achieving goals*. City of Onkaparinga, Noarlunga.

- **Measurable*** – Can the indicator be easily and cheaply measured?
- **Reliability*** – Can the indicator be measured reliably?
- **Accessible** – Is information about the indicator readily available?
- **Timely** – Can the indicator provide timely feedback to decision-makers?
- **Responsive** – Can changes in the item of interest be readily detected in the measurements?
- **Compatible** – Does the indicator align in a clear way with the general thrust of others in the suite?

Those criteria marked with an asterisk were selected as the focus of the evaluation. Putting the original indicator list through the evaluation process reduced the list to 190. A further process of amalgamation and consideration of advice from the Regional Development Commissions reduced the number of indicators to 140. Lack of availability of data resulted in further deletions, resulting in a final list of 94 reported indicators.

4.2.6 Regional review

All nine Regional Development Commissions (RDCs) were visited by members of the project team prior to the finalisation of framework and indicator set. The purpose of the visits was to ensure that the project was informed by regional issues and priorities. The Scoping Paper and draft indicator list were sent to all RDCs before the visit. The process adopted for the meetings was as follows.

- Discussion of the project – its context, relationship to regional development and other government activities in indicator development.
- Getting the ‘region’s story’ - its essential characteristics, issues, objectives, programs and activities and how they need to be represented in the Report.
- Review of the initial Draft list of indicators from the standpoint of region-specific needs in the Report. Information was sought about changes to the indicators, those that should be deleted and others that should be included.
- Obtaining feedback about how the Report should be presented and used and how regional indicator reporting should occur in the future.

4.2.7 Finalisation of report structure and indicator set

A draft report structure and the indicator set were workshopped with the Working Group before being presented to the Reference Group. This Group provided comments that were considered by the Working Group prior to finalising the Report structure and indicator set.

4.2.8 Reporting regionally

In many cases, desirable data were not available at the regional scale, as defined in the boundaries for the nine Regional Development Commissions. Separate government agencies have their own regional definitions for reporting, and in the case of environmental reporting, the Bioregions used by State of the Environment reporting provide an important point of departure. In some cases, data were only available at state, or regional WA scale. A hierarchy of reporting was used to decide whether to proceed with an indicator as shown in Table 2.

Table 2: A hierarchy of regional reporting

Position in hierarchy	Commentary	Examples
1. Data available at Regional Development Commission (RDC) regional scale.	Normally data collected by the Department of Local Government and Regional Development.	Population statistics, Gross Regional Product.
2. Data available at regional scale within approximate RDC boundaries.	Many agencies use their own regional reporting boundaries.	Education statistics, health statistics.
3. Data available at some regional scale.	Useful when looking at broad differences.	Farming and grazing practices, policing services.
4. Data available at Perth metropolitan versus regional Western Australia.	Provides some indication of gross variations.	Social Capital scores.
5. Data only available at state or national scale.	Reported only for general interest across the state.	Greenhouse gas emissions.

4.3 Data collection and analysis

The array of social, economic and environmental data is large. Information was accessed from multiple sources. The principal sources only are listed in the Sources (Section 9.2). Specific data sources are listed throughout the Report against individual indicators.

4.4 Report preparation and review

The indicators and their region-by-region measures have been presented in three formats. In the first format, summary 'key' indicators are presented for all regions in **Section 5**. In the second format, shown in **Sections 6, 7 and 8**, measures and commentary are provided for each indicator across all regions. The second format presents separate reports for each region which provide measurements and commentary for all indicators relevant to that region. In both formats, performance in the Perth region will be provided as the benchmark.

The Report content was reviewed by both the Working Group, the Regional Development Commissions and the Reference Group before approval by the Department of Local Government and Regional Development.

4.5 Regional boundaries

The nine Regional Development Commission regions and their boundaries are shown in Figure 2 and the local government areas by region are shown in Annex D. Statistics and findings represented in tabular or graphical form describe these boundaries unless stated otherwise. School education district boundaries are contained within Annex B and are used in reporting some of the educational indicators when stated.

Figure 2: Regional Development Commission boundaries and offices



Source: Department of Local Government and Regional Development (2002)

