



28 June 2017

Cracks may be appearing in Australia's big city economic miracle But it's potentially good news for Geelong

Geelong will enjoy continuing growth at around 2.1 per cent per annum but it faces the challenge of stimulating local businesses to drive job creation – according to the Regional Australia Institute's [latest two reports](#) which document the recent performance of Australia's small cities, providing a blueprint for their future growth.

While no two cities have the same strengths and capabilities, regional cities fall into four economic performance groups (gaining, expanding, slipping, slow and steady). Geelong is identified as a *slow and steady city*, just like Ballarat, Launceston, Port Macquarie - Hastings and Wollongong-Shellharbour.

Geelong has a steady historical GVA growth (2.7 per cent per annum), with low population growth of 1.2 per cent per annum. With its mixed economy incorporating agricultural processing, manufacturing and construction, but its growing specialisation of service industries with the Transport Accident Commission, Work Safe, NDIS, and now the ABS – says a lot about its strong future. The RAI's forecasts for the city is positive but at a Slow and Steady pace. Its diverse economy provides a strong foundation for growth with relatively high Bohemian Index scores along with quite high share of Knowledge Intensive Business Services and rate of business entries. While the foundations are strong in regards to this indicator set, growth oriented local businesses and associated higher income jobs are necessary for it to reach its full potential.

Geelong's strong collaborative network of private businesses, peak bodies such as G21 – Geelong Region Alliance, universities and local councils ensure it is ready for further investment and has already started discussions for a City Deal.

“Analysis shows Australia can increase the economic performance of its great small cities by 65 per cent by 2031, adding \$378 billion in output annually to the national economy – if we get small city policy right” says Jack Archer, CEO of the RAI. “Putting this output in today's terms, regional cities in 2031 will produce twice as much as all the new economy industries produce in today's metropolitan cities.”

The new RAI reports demonstrate regional cities like Geelong have had similar economic performance to Australia's big five major metropolitan cities and should not be regarded as 'a poor cousin'. In terms of historical output, productivity and participation rate, there is no statistical difference between the economic performance of Australia's 31 regional cities and the major metros.

“The long term growth of our big cities relies on the success of the nation's economy as a whole and these new reports provide the most comprehensive look Australia has ever had at the performance of our 31 small cities,” says Dr Leonie Pearson, Leader of the RAI's Great Small Cities Program.

“Policy effort in small cities and smart investment to enable new business and population growth can result in an enormous return on investment” says Mr Archer who believes the Australian Government's City Deals program can play a key role in lifting our national economic performance.

The opportunity is there for cities like Geelong to grasp a City Deal to leverage local investment.

G21 – Geelong Regional Alliance CEO Elaine Carbines says Geelong and the surrounding G21 region is already working in that direction.

“The visitor economy is an increasingly important economic driver for Geelong and the region,” Ms Carbines said.

“G21 and other bodies are working together to craft a City Deal investment strategy for Geelong and the Great Ocean Road, building on that existing strength.”

The RAI’s new collaborative work with the Centre for Cities draws on learnings from the UK and spotlights criteria and thinking that all Australian cities can use to help get themselves investment ready, drawing on some examples of success to demonstrate.

- [Blueprint For Investing In Regional City Deals: Are Your Ready To Deal?](#) provides a roadmap to help regional cities prepare to leverage their economic potential; and
- [Lighting Up Our Great Small Cities: Challenging Misconceptions](#) provides economic analysis of regional city economic performance.

“To support cities working to design their City Deals, the RAI has built a [free interactive data tool](#) so people can easily see their city’s economic performance and find the measures for its economic engine. We encourage them to use it,” Dr Pearson explained.

To review RAI’s two new reports click on the links below:

[Lighting Up Our Great Small Cities: Challenging Misconceptions](#)
[Blueprint For Investing In Regional City Deals: Are Your Ready To Deal?](#)

To review specific information about the 31 cities highlighted in these reports RAI has an interactive data visualisation tool to explore and compare how each city stacks up with others around it and across the nation. To explore the data simply choose a city or variable.

Visit the data tool linked here:

[Great Small Cities Data Tool – Busting Myths About Australia’s Regional Cities.](#)

For media enquiries, contact:

Dr Leonie Pearson
The Regional Australia Institute
M: 0409697440
Leonie.pearson@regionalaustralia.org.au

Local media contact:

Elaine Carbines
Chief Executive Officer
G21 - Geelong Region Alliance
OFFICE: (03) 5227 4000
Mobile: 0437 202 300

About the Regional Australia Institute

The Regional Australia Institute (RAI) is a think tank devoted to issues concerning regional Australia.

- We gather and analyse the best information we can find on regions and make this readily accessible to people around the country.
- We work with regional leaders around the nation to understand their challenges and help them identify opportunities for future development that they can implement.
- We also talk to governments at all levels and provide independent, evidence based advice about the options they have to make regions even greater.

The RAI is a not-for-profit organisation established as a public company limited by guarantee and we are an Approved Research Institute for tax purposes. The Institute was founded in 2012 with seed funding from the Australian Government. Our current operations depend upon a mix of Commonwealth and State government support, partnerships with a range of companies and projects working directly with regions.

For more information on the RAI: www.regionalaustralia.org.au