

MEDIA RELEASE

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GROW: 2500 jobs by 2020 & \$1bn to local economy a year

What started as an ambitious and innovative idea to address place-based disadvantage in the G21 region can deliver 2500 jobs by 2020 and \$1 billion of economic benefits each year, independent modelling has shown.

The report confirms the 'local and social procurement' approach behind the GROW (G21 Region Opportunities for Work) project will not only address pockets of disadvantage, it will have huge flow-on economic benefits across the G21 region.

The figures come from a GROW-commissioned report by consultant ArcBlue, "*G21 GROW Regional Economic Modelling Project: Procuring to drive Geelong's regional economy*", released today (17 June).

The results are dependent on regional employers consciously shifting their purchasing towards local suppliers and workers, where they are available, rather than buying and employing outside the region.

Economic modelling shows that a 7% shift on current purchasing and employment practice is all that is needed to achieve the outcomes.

ArcBlue surveyed 160 local businesses and organisations, held a workshop and conducted in-depth interviews to better understand current practice. Regional economic sector data was also collated and researched.

ArcBlue examined in detail the purchasing decisions over several years of 12 diverse, and generally large, organisations in the region who had already signed up to a compact to support the GROW model.

Of the more than \$17 billion of procurement each year in the G21 region, less than half is going to local suppliers, according to the ArcBlue report. And this could be as low as 36%.

The report says one of the strengths of the G21 region is the level of cross-sector collaboration and activity already underway. It says building on existing governance, partnerships and organisational work will ensure success in delivering on the report's recommendations.

GROW is an important regional initiative with broad regional engagement and support, which is already building key practical infrastructure and resources to assist local and social procurement activity. It provides the ideal framework to facilitate a regional change program.

GROW is supporting organisations in the G21 region to understand the value of choosing local suppliers, products and services to help create new local jobs which can potentially employ people from target areas.

The ArcBlue economic modelling was commissioned to determine the extent to which GROW's 'local and social procurement' approach could help stimulate job growth and increase local investment to maximise economic and social outcomes.

The ArcBlue report says maximum benefit would flow from within the 'white collar', construction, facility management, manufacturing, waste services, health care and social assistance sectors.

Regional partners can now confidently continue towards the GROW objective of gaining the commitment of at least 200 significant businesses and organisations across the G21 region over the next 18 months

GROW is an initiative of *Give Where You Live Foundation* and *G21 – Geelong Region Alliance*.

The ArcBlue report was funded by Regional Development Australia – Barwon South West and overseen by a project control group which included Give Where You Live, G21 – Geelong Region Alliance, Geelong Chamber of Commerce, Regional Development Victoria and the Committee for Geelong.

Give Where You Live Community Foundation has provided initial funding of \$2 million over 10 years to establish GROW, with the expectation that additional government, business and philanthropic funding will be committed as the project develops. G21 has provided \$30,000, plus an ongoing in-kind contribution. The state government provided \$100,000 to develop the GROW Strategic Plan document, and further committed to match GWYL funding for the first five years. The Alcoa Foundation has also provided a legacy grant of \$300,000 towards GROW.

Steps to incorporate the GROW project across the G21 region and a copy of the ArcBlue report can be found on the GROW website: www.grow.g21.com.au

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