



Dorset Economic Opportunities Study

Dr Tony McCall – August 2003





FOREWORD

John Carswell - Chairman
Dorset Community Economic Development Group Inc.

The announcement by Simplot Australia last year that it will cease operations at its Scottsdale processing plant in December 2003 was confronting and still remains difficult for the Dorset community due to the impact of significant job losses and regional economic disruptions.

Our concerned community has responded positively to the early warning responsibly provided by Simplot. The immediate community reaction was to unite and form strategies to meet the future's economic and employment challenges. Contributions in terms of personal time, monetary and development ideas and the establishment of the Dorset Community Economic Development Group Inc. are all results of this fine community effort. Dorset EDG is charged to continue seeking from community, industry and government; economic development ideas, and the means by which business interest and growth can be achieved at all levels.

The 'Dorset Economic Opportunities Study' is a fundamental building block in that process to formulate policy around locally driven economic development ideas. This study makes a valuable assessment of where we are now, providing fundamental opportunities and a pathway forward.

Dorset EDG, representing the region's community, embraces the challenge to achieve maximum advantage from this document. Alongside the Dorset EDG Strategic Plan, it provides an excellent blueprint to work confidently towards further economic growth in the Northeast.

Dr Tony McCall and the University of Tasmania have made this Economic Opportunities Study possible with the financial assistance of the Tasmanian Government.

I congratulate Dr McCall, the Dorset Community and all involved in efforts to date. I look forward to working with this living document to achieve tangible positive outcomes for the region, and Tasmania.

This document is a reflection of a sincere self-motivated community. The contents provide a sound basis on which to achieve sustainable development for Dorset.

A handwritten signature in blue ink that reads "John Carswell". The signature is fluid and cursive, written in a professional style.

John Carswell

Wednesday, August 27, 2003



Dorset Economic Opportunities Study A Dorset Region Community Project

Written and directed by: Dr Tony McCall of The School of Government,
University of Tasmania (Launceston Campus)

Presentation and printed by: Bosch Engineering
Print Date: Wednesday, 27 August 2003

For and on behalf of: Dorset Community Economic Development Group Inc.

Publication Reference: DORSET ECONOMIC OPPORTUNITIES STUDY UT/EDG2003/08

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EXECUTIVE SUMMARY

Rural and regional Australia is often subjected to a range of impacts arising from decisions made by industrial companies, banks and government agencies to ‘restructure’ their operations. These decisions challenge regional areas to respond to change, uncertainty and dislocation.

In Dorset, a municipality of less than 7,000 people, located in the relatively isolated north-east of Tasmania, the September 20th, 2002 announcement by Simplot Australia to close its vegetable processing plant at the end of 2003 – with a potential loss of over 100 jobs - came as a shock, a confirmation of persistent fears and a time for considerable community grief.

In the years prior to the closure announcement, Dorset had initiated a range of governance initiatives that will act as a guide through the twelve-month grace period before closure. These governance initiatives place the municipality in a better position than some to respond to this challenge.

In 1996, the municipality through the local council had initiated and endorsed a *Sustainable Development Strategy*. Prior to the Simplot closure announcement the municipality had embraced a *Future Search Conference* to provide for community input into an update of that strategy. In 2002, the Dorset Natural Resource Management Strategy had identified a range of comparative advantage opportunities for the

region. The Dorset community had benefited by embracing these governance initiatives, capturing the sense of community, self-reliance and proud independence that is characteristic of the region.

This Economic Opportunities Study is a ‘living document’. It represents one small part of Dorset’s attempt to deal with social, economic and environmental challenges. The real challenge lies ahead, particularly over the period until the end of 2003 and beyond, when the plant will close and a range of impacts will finally hit home.

The Study has a number of aims and objectives. They are:

- To establish an argument for the adoption of a community economic development model in Dorset to respond to the social and economic impact of the Simplot closure;
- To link community economic development models to the theoretical framework of regional development policy;
- To institutionalise the community economic development model into an ongoing and sustainable, community driven institution that will provide medium to long term benefits for the region, in terms of identifiable economic and social opportunities;
- To apply regional development theories to assist in the identification of a number of social and economic opportunities that can be assessed against a methodological framework that emphasises comparative advantage indicators;
- These opportunities will in turn shape and guide the strategic plan of the community economic development model, including the provision for carrying out feasibility studies and business plans for selected projects.

The Study argues that too often communities facing economic and social dislocation challenges have no community *vehicle* to drive them forward and develop opportunities that arise. Too often *experts* come into a region *tell* communities what to do, inspire them and then leave without providing a *capacity* to develop ideas and projects. *How* communities organise for community economic development is just as important as to *why* they need assistance in the first instance. The incorporation of the Dorset Economic Development Group (EDG) in May 2003, is *the* most significant outcome from the arguments driving this Study.

Community economic development models focus upon *locally generated solutions to community level problems*. Such an approach *must* build on the strength of *existing* community *assets*, developing a comparative advantage. This Study supports the use of *asset mapping* as an approach to determining comparative advantage and developing strategic responses that incorporate community input. The Business survey outlined in the Study is an example of the application of this methodology. This Survey will inform the Dorset EDG strategic plan.

The Study indicates that Dorset's comparative advantage is its natural resources, especially bio-diversity and as such *bio-diversity* is an icon for economic, social and environmental opportunities. The vast majority of the opportunities identified in this Study are directly linked to key bio-diversity sectors such as forestry, agriculture/fisheries and tourism.

The Study also argues that within small regions such as Dorset, *collaborative* approaches to community economic development are appropriate and often are beneficial in addressing the ‘economy of scale deficits’ that are present in smaller, isolated regional areas. These collaborative approaches are greatly assisted by the emergence of an institutional design such as Dorset EDG that can advocate and drive the emergence of this arrangement as opportunities arise, are identified, and assessed.

The Study has benefited greatly from community input into the identification of economic opportunities for the region. Whilst this Study endorses the view that economic opportunities build initially on existing capacity – how can existing business operations across all sectors expand their current operations – there is no shortage of creative and innovative opportunities identified within this Study.

Economic opportunities identified in this Study under the key biodiversity sectors – forestry, agriculture/fisheries and tourism – are listed below. This Study recognises and endorses the regional development perspective that *opportunities* in small regional areas are enhanced greatly by *infrastructure development*. In Dorset’s case, water, transport, energy (windpower) and recreational infrastructure (Barnboughe Golf links) will be critical to the successful implementation of these opportunities.

Economic Opportunities

FORESTRY	AGRICULTURE/FISHERIES	TOURISM
Advanced kiln drying operations	Water Development Projects	Bio-diversity Centre/Museum
Wood merchandising yard	Sugarbeet production for ethanol	Dune Eco-Tourism Research Centre
Tasmanian brand – IKEA – high quality mass produced furniture	Expanded essential oil production	Marine Centre/Aquarium/Pier Redevelopment Project
Bioprospecting	High value food crop development – Japanese strawberries, walnuts, grain	Eco-Tourism at Mt Victoria
Community forestry ‘pilot’ projects	Hemp production	Chinese Heritage Trail
Boutique Pulp Mill	Redevelop oyster, scallop and eel processing facilities	Derby Tin Mine Heritage Development
	New endogenous aquaculture species	Water Charters – Bridport/Waterhouse
	Agricultural/Fisheries School or College	“Harvest trail” link to rail tours
	Food Research Centre	Hot Air Ballooning
	Re-establish Mustard seed production	Cultural Festival: “TSO at the Sidling”
		Walking/Cycling trails on rail embankment
		Recreational ‘events’ – three day horse trails; motocross; teams triathlon, mountain bike tour; shooting championships
		Caravan Park development
		Agriculture Museum
		Streetscape Upgrade
		Wild-life Park/Native Animal Hospital
		Sea Transport Link to Flinders Island
		Windfarm Interpretation Centre

Dorset Economic Opportunities Study

Dr Tony McCall

AUGUST 2003



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1. Background

On September 20th, 2002 Simplot Australia announced that the Scottsdale Simplot vegetable processing plant would be closed in late 2003 with the potential loss of 120 jobs in the Dorset municipality.

In response to this announcement a Simplot Closure Taskforce was established. The Taskforce was made up of representatives from the Dorset community, local, state and federal government, local industry and unions, Simplot employees and the University of Tasmania.

The Simplot Taskforce had two main objectives: lobby to reverse Simplot Australia's decision and to minimise any detrimental effects on the community if the closure was to proceed. The activities of the Taskforce can be categorised into two phases: Plan A and Plan B. The following is a summary of the key activities attached to each plan:

1.1 Lobbying Activities (Plan A)

(a) Lobby for the reversal of Simplot Australia's decision:

- 800 people attended a rally at Scottsdale on 11/10/02 with excellent media coverage;
- During October, the Taskforce prepared a *Simplot Closure Issues Report (2002)* that outlined its analysis and critique of the Simplot Australia decision;
- On 28/10/02 representatives from the Taskforce met with Simplot Australia executives, including the Managing Director, Mr. Terry O'Brien in Scottsdale. Simplot Australia insisted the closure decision is irreversible;

- A meeting with the Taskforce and Premier Bacon held in Scottsdale. Premier Bacon committed \$25,000 to the formal establishment of a community body to create and facilitate economic development, employ a co-ordinator (Keith Calvert) and undertake an Economic Opportunities Study;
- The Taskforce prepared an information package that was sent to the Simplot family (USA) in early November 2002.
- The Taskforce received a reply from Simplot family (USA) CEO, Scot Simplot, reiterating Simplot Australia's decision and emphasising closure on the issue from the company's perspective. The Taskforce met on January 22nd, 2003, to formally consider the response from Simplot (USA) and agreed that opportunities to reverse the closure decision had reached a closure point and other aspects of Plan A, particularly related to workers' welfare and opportunities, would be the immediate focus of this plan.

(b) Act on the immediate needs of Simplot workers who face job losses, their immediate families, and associated contractors/linked businesses and individuals:

- Counselling services sourced;
- Department of Economic Development's (DED) Skills Response Unit facilitates a skills audit; financial counselling; and retraining programs for workers. This is a co-operative arrangement with Simplot Australia.

(c) Negotiate with Simplot Australia in respect to use of the plant, equipment and land following any closure in 2003: ongoing.

(d) Liase with Simplot Australia's representatives in regard to future support for the community, from the company. Protocols established to channel all requests of support through the Taskforce: ongoing.

(e) Manage any support funding received from state, federal and other agencies: ongoing.

1.2 Economic Opportunities Study (Plan B)

The Economic Opportunities Study was co-ordinated by the Economic Development Group (EDG), a sub-group of the Simplot Taskforce.

At a joint Simplot Taskforce/EDG meeting on February 19th, 2003 a decision was made to establish an executive sub-committee within the EDG to promote an outcomes focus for the EDG. Key issues for the sub-committee include:

- Prepare community support package for consideration by Simplot Australia;
- Develop co-operative linkages between EDG and economic stakeholders in Dorset and government agencies with a view to promoting and accessing economic opportunity projects;
- Promote and advocate the role of EDG within Dorset;
- Establish ongoing capacity for EDG through Federal government assistance package, facilitated through Tasmanian Employment Advisory Council (TEAC).

In May 2003, EDG was incorporated as the Dorset Community Economic Development Group. An interim ten (10) member

executive committee was elected from the EDG membership. A 2003-2004 Strategic Plan (Appendix B) was developed to assist ongoing negotiations and relationships with Simplot Australia, Dorset Council, Tasmanian government, Commonwealth Regional Funding Programs and local community and business groups.

Plan B focused on planning for the immediate and future economic stability and viability of the Dorset Municipality through sustainable economic development.

In July 2003, interim board members of the EDG met with Simplot Australia in Scottsdale to outline the strategic plan of the EDG to Simplot Australia's representative and to initiate preliminary discussions regarding Simplot Australia's community assistance package.

In August 2003, Simplot Australia announced that it would provide a \$250,000 community support package to Dorset EDG. The Commonwealth government agreed to support Dorset EDG with a \$75,000 grant to assist with administrative and project development support.

1.3 Components of the Economic Opportunities Study (Plan B)

(a) Fact Finding and Impact Assessment

- Literature and database review of the Northeast region's economy and capabilities. Document Dorset's capabilities by industry sector and develop future directions and opportunities;

- Compile an asset map of businesses in Dorset in order to determine opportunities and capacity for expansion and consolidation;
- Establish Dorset’s strategic and competitive advantage as a region in a global competitive economy.

(b) Economic Opportunities Study: Components

- Establish a broad range of opportunities including existing infrastructure projects for the region – road development; irrigation and windfarm development. Encourage citizen input into the Economic Opportunities Study and facilitate response and feedback mechanisms through the EDG;
- New and existing development opportunities to be assessed by the EDG, assisted by state government agencies as necessary and appropriate;
- Prioritised list of opportunities referred back to the EDG for consideration and response;
- Identified and prioritised opportunities to be subject to feasibility and business development plans at the direction of the EDG. The EDG will approach the state and federal government for financial support for this component of the Economic Opportunities Study;
- Fully established projects to be exposed to potential investment support from private and public sectors or private public partnerships (PPP).

1.4 Impact Issues

To quantify impact issues in Dorset as a consequence of the impending closure of Simplot Australia’s Scottsdale processing plant is somewhat inhibited by a series of substantial uncertainties attached

to the final effect the closure will eventually have on the region. Direct and indirect employment impacts are impossible to determine six months before the closure; uncertainties attached to ongoing production and transport issues relating to future potato production in Dorset remain.

What is worth reiterating in terms of impact is the substantive issues identified in the Simplot Taskforce, *Simplot Closure Issues Report* (2002). The following is a brief summary of some of the issues raised in that Report:

- Expenditure on upgrading of Water Treatment Plant and Waste Agreement by ratepayers;
- Loss of skilled and well trained employees from the region;
- Increased transport costs to growers carting to Ulverstone;
- Potatoes become a less viable crop commercially in Dorset;
- Will the closure threaten the commitment to the upgrade of the Lilydale Golconda Main Road?
- Down turn in property values in the North East, less businesses, less contractors and service providers;
- Uncertainty attached to agricultural production in Dorset?
- Closure a trigger for further closures in other sectors?
- Undermining of trust and positive relationship between company and region undermines sense of community and investment potential;
- Economic and social effects on the community are devastating. Worst case scenarios of up to \$20m out of the local economy in the first twelve months of closure;

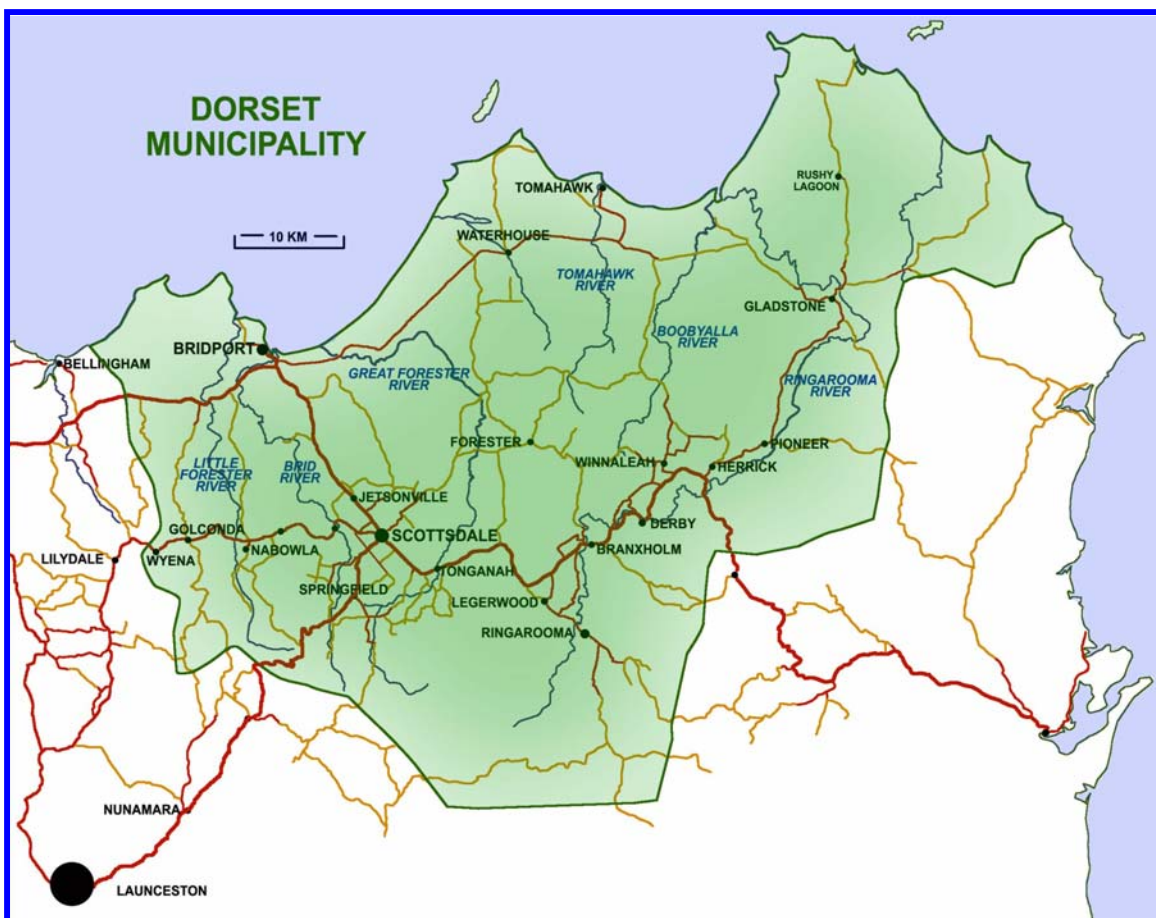
- Consequent downgrading of community services – education, health, police and youth – at all levels of government;
- Potential population decrease undermines service/financial support;
- Direct and indirect impact of family stability and sense of well-being brought on by uncertainty and fear of change;
- Adding up to a decrease in investment and development in Dorset and the greater North East region.

2. Dorset Municipality

2.1 Profile

The Dorset Municipality covers approximately 3,196 kilometres in north-east Tasmania. It is predominantly a rural based municipality with coastal borders on its northern and north-east perimeters.

Dorset is bordered by Break O’Day municipality on its east, southern and south-eastern border; Georgetown municipality on its western border and; the City of Launceston municipality on its south west border.



Dorset was formed in 1993 with the amalgamation of the former municipalities of Scottsdale, Ringarooma and parts of the City of Launceston. The main townships are Scottsdale (2001 population: 1874), Bridport (1352), Ringarooma (226), Derby (133) and Branxholm (232). Of the major centres only Bridport's population increased from its 1996 population of 1234. Scottsdale and Bridport account for 44% of the Dorset population. There was quite an extensive population increase in Cape Portland between 1996 and 2001 (92 to 151).

Population changes within Dorset between the 1996 and 2001 census are detailed in Table 1.

Table 1: Urban Centres by Population in Dorset, 1996, 2001

Urban Centre/Locality	1996 Population	2001 Population
Scottsdale	1,922	1,874
Bridport	1,234	1,352
Springfield, Peaceful Valley, West Scottsdale	555	496
Lierinna	453	500
Legerwood, Tulendeena	279	270
Branxholm	266	232
Ringarooma	232	226
Takumuna, Pinegrove, Herrick	212	187
Nabowla, Blumont, Wyena, Golconda	209	218
Talawa, Trenah, Pinega	203	121
South Springfield, Cuckoo	182	179
Legunia, Moorina, Alberton	171	141
Derby	160	133
Winnaleah	152	155
Pioneer, South Mount Cameron	127	122
Warretinna, Telita, Kamona	125	121
Cape Portland	92	151
Gladstone	91	81
Poole	34	47

Source: ABS 1996; 2001 reproduced from Hydro Tasmania, *Musselroe Wind Farm Project Report Vol 1, Chpt 8, P167*.

Dorset is a proud, stable and self-reliant rural municipality primarily involved with agriculture, forestry and associated industries. As Brown (1996:19) suggests in his discussion of the social and physical aspects of the northeast of Tasmania:

The area supports a society based on farming, mining, forestry, recreation and tourism and is set in a mixed cultural and natural landscape which is imbued with a strong sense of its Aboriginal and European heritage. The natural values are a primary facet of this array. Much of the fertile part of the Northeast is laid out in a landscape that would have satisfied the aesthetic sense of Capability Brown, and which still has obvious appeal, as do the spectacular beaches, granite coastlines and rugged dolerite-capped mountains.

There is a diversity of physical environments because of the variability of geology, geomorphology and soils as well as climate. The integration of these facets brings the identity of the Northeast into sharp relief in Tasmania.

2.2 Dorset: Stability and Identity

A brief survey of the 2001 Census data confirms the sense of stability and coherence attached to Dorset and its identity:

- population 6,979 (-1.6%, [-116 people] since 1996) but an increase of 1.7% since 1991;
- median age 37 years, same as Tasmania (35 in 1996);
- median weekly individual income: \$303, ranking Dorset 19/44 statistical local areas in Tasmania. By comparison, Break O'Day was ranked 44/44 with a median weekly individual income of \$239;
- 2% Indigenous population (1.7% in 1996); 89.3% Australian born (91.7% in 1996); 5.6% born overseas in 2001 compared to 5.7% in 1996;
- unemployment was 6.9% in 2001 (Tasmania 10.1%) compared to 7.1% in 1996. Dorset ranks 38/44 – where 44 is the lowest rate (King Island 4.2% in 2001) – in terms of unemployment rates in Tasmania by statistical local areas;
- Dorset ranks 19/44 (where 44 is the lowest rate) in labour force participation rate. Dorset's participation rate at the time of the 2001 Census was 57.2%.

- agriculture, forestry and fishing employed 811 persons in 2001 (816 in 1996) representing 28.2% of employed persons; manufacturing employed 533 (576 in 1996) representing 18.5%; retailing 312 (254 in 1996) representing 10.8% and ; education (163) and health and community service (170) grew in employed numbers by 7 and 17 respectively on the 1996 figures;
- education, health and community sectors combined represent 11.6% of employed persons in Dorset.

Comparative indicators between Dorset, Northern Tasmania as a statistical region, Tasmania and the main urban centres in Dorset are represented in Table 2.

Table 2: Dorset Profile Statistics – Comparative Data

	% Pop 0-14	% Pop 65+	Median Age	Income Individual Median Weekly \$	Unemployment Rate 15 years and over	Unemployment Rate Aged 15-24
Tas	21.4	13.4	36	314	10.1	19.2
Northern Region	21.4	13.7	36	305	9.9	18.2
Dorset	22.9	15.3	37	303	6.9	12.7
Branxholm	22.4	12.1	41	290	7.9	21.4
Bridport	20.6	21.3	42	293	7.5	5.8
Ringarooma	23.0	14.6	35	276	8.9	30.0
Scottsdale	21.0	19.2	36	330	5.5	12.3

Source: ABS Census Data, 2001.

Table 3. (below) is a comparative industry employment profile for Dorset.

Table 3.: Industry Employment By Sex 1996, 2001

	1996 Census			2001 Census			Change (+ or -)	% 2001
	Males	Females	Persons	Males	Females	Persons		
Agriculture, Forestry & Fishing	590	226	816	581	230	811	-7	28.2
Mining	22	5	27	5	3	8	-9	0.2
Manufacturing	444	132	576	415	118	533	-43	18.5
Electricity, Gas & Water	3	0	3	14	0	14	+11	0.6
Construction	123	14	137	92	17	109	-28	3.7
Wholesale Trade	60	29	89	87	34	121	+32	4.2
Retail Trade	110	144	254	113	199	312	+58	10.8
Accommodation, Cafes & Restaurants	32	67	99	33	69	102	+3	3.6
Transport & Storage	78	27	105	101	30	131	+26	4.4
Communication Services	10	11	21	9	17	26	+5	0.9
Finance & Insurance	13	24	37	4	17	21	-16	0.6
Property & Business Services	53	36	89	43	53	96	+7	3.3
Government Administration & Defence	45	18	63	48	33	81	+18	2.8
Education	35	121	156	36	127	163	+7	5.6
Health & Community Services	24	129	153	19	151	170	+17	5.9
Cultural & Recreational Services	13	10	23	8	15	23	0	0.8
Personal & other Services	21	35	56	40	22	62	+6	2.2
Non-classifiable economic units	17	6	23	13	6	19	-4	0.6
Not stated	60	37	97	40	30	70	-27	2.3
Total	1,753	1,071	2,824	1,701	1,171	2,872	+48	

Source: ABS 1996, 2001

The demographic profile of Dorset confirms its status as a microcosm of Tasmania's broad demographic:

- the median age of 37 is one percentage point higher than Tasmania's median age;
- Dorset has 22.9% of its population in the 0-14 age group. Tasmania's percentage is 21.4;
- in the 65 and over age group, Dorset's percentage of population is 15.3% compared to 13.4% for Tasmania.

This ranks Dorset 7/44 in statistical local areas indicating a relatively older population. In comparison Break O'Day is ranked 3/44 with 17% of its population in the 65 and over category.

As this trend continues the implications for infrastructure support in the area of health and aged care will need to be assessed. This assessment should include the feasibility of associated economic opportunities such as the extension of aged care facilities.

Significantly, Dorset's percentage of 15-24 year olds (11%) – the young and active, often the disappearing quantum in rural and regional Australia (the brain drain) – matches a number of similar rural based statistical local areas in Tasmania. These include, Northern Midlands, Meander Valley, West Tamar, Latrobe, Waratah Wynyard, Burnie, King Island and West Coast. The figures for Tasmania confirm the trend that this demographic gravitate to the urban cities for educational and employment opportunities. By comparison, Break O'Day has the lowest percentage in Tasmania for this demographic at 7.5%.

Young people in Dorset are actively engaged with their community. They have established a website FEWCHA (see www.dorset.tas.gov.au) and their efforts have been recognised in their short-listing for a \$150,000 partnership grant with the Foundation for Young Australians. The municipality has two excellent district high schools at Scottsdale and Winnaleah and strong community support for Vocational Education and Training (VET) is well established.

Mirroring many rural municipalities in Australia, Dorset is experiencing a marginal loss of employment in its staple primary industries, and an increase in service sector employment.

In Dorset the economic and employment driver is small business. Kilpatrick et al (2002) report that 97.9% of businesses in Dorset employ less than 20 people, 61.2% employ 1-4 employees and 164 of those 'micro businesses' are in the largest employment sector, agriculture, forestry and fishing. 'Micro businesses' thus represent 44% of that crucial employment sector.

Medium to large employers (50 plus) number only 4 in total: food processing (Simplot); forestry manufacturing (Auspine and French Enterprises) and; the local hospital at Scottsdale (2002, 62). The closure of the Bonlac milk processing facility at Legerwood, another medium size employer (30) in the Ringarooma valley in 2000 was a major blow not only to local employment in Dorset but was a setback for the agricultural sector in general.

The predominance of small business activity in Dorset brings with it a social capital skills base in management and administration. At the time of the 2001 Census, 508 people (17.6% of employed people) were employed as managers and administrators (Tasmania 8.7%) and 9% were employed as professionals (Tasmania 16.9%).

Non-school qualifications (diploma or certificate through to post-graduate degrees) were held by 1,201 people in Dorset (22.3%) in 2001 compared to 18.8% in 1996. This ranks Dorset 39/44 (where 44 is the lowest) by proportion of persons aged 15 and over with a qualification. In the 2001 Census, 4,176 people (77.7%) indicated they did not hold a non-school qualification or didn't match the standard classification, a decrease of 3.5% since 1996.

Matching Dorset's primary industry employment base labourers and related workers accounted for 18.8% of employed persons, an increase of 2.1% on the 1996 figures. In Tasmania the 2001 figure stood at 9.5%. a fall of 0.4% since 1996.

3. Community Governance Approaches

3.1 Introduction

Since the municipal amalgamation of 1993, Dorset has demonstrated a innovative capacity to address a range of community and governance issues. These include sustainable development (*Our Sustainable Future: Dorset Sustainable Development Future, 1996; Future Dorset Search Conference, 2001; Dorset Connector project 2001-2003*); a report focusing on employment, skills and education needs (*Generating Jobs in Regional Tasmania: a social capital approach, 2002*) and natural resource management (*Dorset Natural Resource Management Strategy, 2002*).

Governance comprises the traditions, institutions and processes that influence how power is exercised, how citizens are given a voice, and how decisions are made on issues of public concern in Dorset.

All the reports and outputs associated with these initiatives provide valuable information and directions for the Dorset Economic Opportunities Study. In addition, regional reports: *Economic Development Plan for Northern Tasmania, 2002* and *Profiles of Northern Tasmania's Core Industry Sectors, 2002* provide a regional context for Dorset's future economic and social development, capacity and opportunities.

3.2 Sustainable Development Strategy

In 1996, the report *Our Sustainable Future: Dorset Sustainable Development Future* set the framework for sustainable development in Dorset. This report outlined a range of specific action areas for a

series of task groups and proposed a management structure for the strategy implementation that linked a series of committees to the community, council and government. Significantly for the Dorset Economic Opportunities Study, the 1996 report outlined a number of areas for consideration. These are outlined in Table 4. below:

Table 4.
Our Sustainable Future: Dorset Sustainable Development Future 1996
Specific Action Areas

Dorset Business Plan	Integrated Catchment	Health Services Action Plan	Planning Scheme Revision
Tourism Action Plan	Forestry Partnership	Education Action Plan	Infrastructure Services
	Sustainable Agriculture	Cultural Centre Project	Road Priority Plan
	Alternative Agriculture		Scottsdale/Bridport Action Plan
	Water Watch		
	Bio-Conservation Strategy		

Source: *Our Sustainable Future: Dorset Sustainable Development Future*, 1996, p 131.

3.3 Future Dorset

Between November 29 and December 1, 2001 Dorset Council initiated a Future Search Conference at Bridport. The purpose was to review its strategic plan, the Dorset Sustainable Development Strategy. Over 80 people participated, working in a series of stakeholder groups, whole system groups and action planning teams to develop a Future Dorset plan. Common themes were established by the stakeholders and were prioritised as outlined in Table 5. below:

Table 5.
Future Dorset Conference
Prioritised Common Themes

Future Direction	Score	Future Direction	Score
1. Economic Development	63	7. Cultural Development	25
2. Sustainable Community	54	8. Youth	22
3. Transport	39	9. Health Services	19
4. Natural Resource Management	38	10. Older People	15
5. Tourism	35	11. Population	6
6. Learning & Education	26	12. Access	0

Source: *Future Dorset: Determining Future Directions*, Future Search Conference Report, Nov 29-Dec 1, 2001.

Voluntary groups maintained links to these themes by developing informal groups and the Sustainable Communities group met to progress the outcomes of the conference, one of these outcomes included the development of the *Dorset Connector*.

3.4 Dorset Connector

The *Dorset Connector* has strong links to regional development policy and particularly community development. Essentially, the *Dorset Connector* is an institutional approach to community development. As such it recognises that the way communities *organise* for community development is crucial to their capacity to develop existing community development ideas, such as those that arose from *Future Dorset*.

Too often community development ideas have no *vehicle* to drive them forward and develop them, or to legitimise those ideas in the eyes of government. This is particularly salient for accountability mechanisms. Experts come into a region *tell* communities what to do, inspire and then leave without providing a *capacity* to develop any ideas or projects.

In Dorset's case, the Sustainable Communities group saw the need to establish an institutional design that would initially act as a '*hub*' for those groups that emerged within the *Future Dorset* process. The '*hub*' would ensure that co-ordination between groups could be maintained and a '*one stop shop*' could be established in Dorset to maintain and develop the priorities and ideas established during *Future Dorset*. That institution emerged as the *Dorset Connector*.

A business plan has been developed to address the role of the *Dorset Connector* and to establish a basis for funding applications to state and federal government programs.

The idea of a community based '*hub*' as outlined in the *Dorset Connector* proposal was reinforced by the recommendations of the Kilpatrick et al's report, *Generating Jobs in Regional Tasmania: a social capital approach* (March 2002).

3.5 Social and Human Capital

Kilpatrick et al (2002, 6) in their comparative study of the role of partnerships, leadership and social capital in promoting linkages

between training providers, schools and the community argue strongly that:

- The key for community development is to develop structures and processes that use and build social capital to achieve collective goals;
- There must be structures and process for *interaction* between various groups and sectors within the community and with external agents, as it is interaction that builds social capital;
- There must be structures and process for *collaboration*. Collaboration is more purposeful interaction, that is, interaction towards a set of goals (partnerships are more formal collaborations);
- Leadership is essential, to initiate and sustain these structures and processes, institutional and external leadership can play a role;
- External networks and links are important as they can provide access to a wide range of resources including innovative ideas, other information, funding and political influence.

3.6 Partnership Agreement

As a component of the State Labor government's partnership approach (see: <http://www.dpac.tas.gov.au/divisions/lgo/partnerships/>) to local government, Dorset has set in process a negotiated partnership agreement. By June 2003, a draft partnership agreement had been negotiated, awaiting community input and final Council approval in July 2003. Economic development, transport, environment and land management, community health and safety and education are the main community issues that formed the framework of the draft agreement.

4. Economic Opportunities Study

4.1 Purpose and Objectives

The purpose of the Study is to establish a regional development analysis that will inform the basis for ongoing sustainable economic development for Dorset.

The objectives of the Study are to initiate a community economic development model (CEDM) for Dorset - the Dorset Community Economic Development Group (EDG) - that will enhance and expand the existing economic, social and environmental assets. The Study will identify economic opportunities for Dorset. These will provide the basis for the implementation of the EDG strategic plan.

A draft Economic Opportunities Study, circulated for comment within the EDG in April 2003 placed much emphasis on the crucial significance of *institutional design* for sustainable economic development for sub-regions like Dorset. The purpose was to argue strongly, within the Taskforce, for the formal recognition of a legitimate community based institutional design such as the then fledging Dorset Economic Development Group (EDG). That draft Report argued that such an organization would be a crucial vehicle to drive forward the aspirations of the Dorset community and the recommendations of the Economic Opportunity Study.

The formal incorporation of the EDG in May 2003 as the Dorset Community Economic Development Group is the single most significant event and accomplishment of the Simplot Taskforce. It represents the most significant recommendation of the Economic

Opportunities Study. The EDG now has the task of developing a response, at the community level, to the range of opportunities identified but not fully developed within the Study. It also affords the EDG some leeway in developing opportunities to the feasibility and business plan stage – over six months - before the full impact of the Simplot Australia closure can be substantively realised and a strategic response developed.

Both the purpose and objectives of the Study are informed by regional development theory.

4.2 Regional Development Theory

Regional development policy is the theoretical framework for the Report (Higgins and Savoie, 1997).

Within regional development theory, community economic development (Savoie, 2000), forms the *most* appropriate model for Dorset, given its population size, geographical location and biogeography, demographic trends, social and human capital indicators. These factors influence economic capacity and opportunities.

4.3 Regional Development Policy: Issues

Before outlining the theoretical framework that will inform the Dorset Economic Opportunities Study it is important to acknowledge the broader regional development policy literature that shapes this approach.

Given Dorset's classification as a sub-region in a small sub-national peripheral economy – Tasmania - this brief outline will be restricted to literature that has links to *community economic development models* (CEDM).

CEDM is the appropriate regional development policy framework for this study. CEDM approaches encapsulate the profile of Dorset as outlined.

4.4 CEDM: Background

Regional theorist, Donald Savoie argues that in the face of an increasingly difficult climate for small communities, and the frequent inadequacy of the market and the state in dealing with such issues, the bottom-up locally led nature of community economic development has become the latest fashion in regional development policy (Savoie, 2000: 7).

As Savoie states the relatively modest funding that accompanies community economic development measures is attractive to government (2000: 28). Not only are community economic development strategies generally quite inexpensive, they also carry the potential to fill gaps in service provision and policy left by a shrinking state (Adams and Hess, 2001: 15). Moreover, governments do not always have the answers to problems that have arisen and it may prove to be simpler to sell the message that communities should develop their own solutions to various challenges (Savoie, 2000: 21). This strategy also reflects the argument that communities may be a qualitatively superior source of policy ideas since options that are

developed locally are more likely to receive the support necessary for successful implementation (Adams and Hess, 2001: 15).

The reintroduction of community into the public policy and management process encapsulates a range of new ideas, many of which are related to community economic development, such as partnerships, mutuality, social cohesion, solidarity, identity, trust, reciprocity, community building, social capital and inclusiveness (Adams and Hess, 2001: 13). It has also been argued that the construction and form of knowledge in the public policy and public administration process is changing as a result of the influence of various discourses, particularly social capital, that are encouraging interpretive, inductive and iterative forms of knowledge (Hess and Adams, 2002: 3).

Roseland highlights many of the key elements of community economic development by providing a list of those attributes that he considers essential to any consideration of the process. These are: equity; participation; community building; co-operation and collaboration; self-reliance and community control; integration; interdependence; living within ecological limits; capacity building; diversity and appropriate indicators (Markey and Roseland, 2001: 5).

Markey and Roseland develop Blakely's identification of the strategic approaches that may be taken to community economic development, arguing that there are five general approaches: locality development, business development; human resource management, community-based employment development and natural resource management

(2001: 6). Shragge divides the range of practices that fall under the heading of community economic development into liberal and progressive initiatives. Liberal techniques are those that prioritise business development whereas progressive approaches focus upon the empowerment of the community (1997: 11). All these approaches have salience in relation to Dorset.

The separation of the process into liberal and progressive approaches is supported by Haughton, who highlights the difference between traditional approaches that attempt to reconnect a community, or segments thereof, with the mainstream economy and more radical approaches that attempt to create new, locally controlled initiatives that tend towards the establishment of new markets (1998: 875). Typically, traditional approaches involve attracting existing industries to the area or using local resources and initiative to establish a new locally based industry (Ife, 1995: 140). In contrast, radical approaches tend to attempt to establish, or partially establish, an alternative, locally based economy (Ife, 1995: 141). In the case of Dorset, a case can be made for a combination of these approaches focusing on sustaining and growing existing business in the first instance then searching for innovative business opportunities that may be new or derived from existing structures. The EDG strategic plan endorses this approach.

Many theorists argue that a number of the activities included as elements of community economic development would be more effectively and efficiently handled at the regional level. Communities, it is argued, are too small as economic units to possess the necessary

economies of scale, or the cost and efficiency advantages that are achieved by operating at a larger scale, to plan new measures or launch new economic activities (Hill, 2002: 385; Savoie, 2000: 23-24). Even those who concede to a place in regional development policy for community economic development still argue that there are some issues that cannot be handled at the local level are the proper concern of regional authorities (Savoie and Higgins, 1997: 402). This position will be discussed later in this Report in relation to regional governance approaches and their influence and impact on Dorset.

In considering the value of community economic development it is important to measure and analyse the *actual capacity* of a community to develop and implement solutions to the problems it faces.

Community capacity is a central element of community economic development and, although it possesses a degree of elusiveness as a concept, it can be broadly defined as the enhancing and mobilising of existing community relationships, resources and skills for the purposes of achieving community development objectives (Markey and Roseland 2001: v). Townsend, Mahoney and Hallebone make a similar point by acknowledging the importance of developing plans for community revival but arguing that those strategies that are created must be realistic (2001: 25). The issue of capacity building will be specifically addressed as a CEDM methodology.

Significantly, if community economic development is to provide sustainable solutions to the challenge that many communities face it must construct solutions that involve the implementation of ongoing, long-term policies (Murray, 2000: 102; Onyx, 1995, 4). Moreover,

this not only involves the community developing long-term responses to their situation but also requires a level of policy stability from government in order that long-term plans can be created and maintained.

In short, the construction of CEDM approaches is framed by a matrix of considerations. Bellinger (2002) argues that these include:

- a conducive environment (the influence of the broader context and timing);
- comparative advantages (natural and locational advantages, relating to issues such as geography, culture and entrepreneurship);
- one-size does not fit all (need for flexible policies that adapt to the unique needs of each community);
- local capacity (the enhancing and mobilizing of existing community relationships, resources and skills for the purposes of achieving community development initiatives);
- education (utilization of education, educational institutions and well-educated workforce);
- sustainability (need for developing long-term, consistent, enduring and sustainable responses);
- integration (the need to integrate economic, social, political and environmental objectives within the process);
- institutional design (the range of specific structures that may be utilized for the purposes of community economic development);
- economies of scale (the advantages, in terms of cost and efficiency, that are achieved by operating at a larger scale);
- pragmatism (the necessity of accepting the limitations of the process and the community involved);

- participation (the participation of the local community in the development of their own solutions to the issues with which they are faced);
- partnerships (the development of partnerships between various parties, including government, business and the community).

These considerations shape the Dorset Economic Opportunities Study as a CEDM and will be instrumental in determining benchmark performance indicators; evaluation and review mechanisms for the EDG into the future.

4.5 Approaches to CEDM

As is the case with Dorset, CEDM tend to emerge in regions and communities facing major crises. Often this is a result of labour force displacement from a key industry. This is understandable but regrettable.

There are a number of examples of successful CEDM emerging from such crises. In Australia, Eden and Newcastle in NSW and the Wide Bay Burnett region in Queensland all benefited with varying degrees of success with locally driven community economic development approaches. More often than not, however, a crisis environment is often a prescription for unstructured responses that reflect the pain of communities often in the process of reinventing themselves in the face of a crisis of confidence. Such an environment often results in endless process, often in conflict; a rapid displacement of limited resources and the rapid passing of years before any key initiatives emerge that

genuinely reflect the capacity or opportunities for the community concerned.

The objectives of Plan A within the Simplot Taskforce – to reverse the decision to close the plant – is indicative of the very real need for the community to react to a crisis before it is able to move forward. This is a necessary step for the community to address, endure and overcome.

The point here is to support the argument that CEDM – in an ideal world - should be proactive and preventative rather than reactive. Communities need to be vigilant not complacent. CEDM provide opportunities for communities and regions to consolidate and diversify, ready to meet the challenge *before* it emerges. Few take that opportunity. Fortunately, Dorset laid the foundations for success well before the Simplot Australia announcement with its innovative approach to community governance.

Markey and Roseland define community economic development as a process by which communities can initiate and generate their own solutions to economic problems, in consideration of the relationship between economic factors and other community problems (2001: v).

Community economic development focuses upon *locally generated solutions to community level problems*, where community can be considered as a group of people who share a common spatial location, or interest, and also hold normative features such as a high degree of mutuality and sociability (Adams and Hess, 20001: 14; Kenny, 1996:

106). This approach is compatible with Dorset's population size, its geographical location and its sense of self-reliance and capacity, as a community, to respond to change brought about by industrial restructuring.

Policies and programs that address community needs and outcomes directly relevant to a particular geographic place have also become popular in recent Australian policy debates (Reddel, 2002: 51).

While regional development policy has traditionally focused its attention upon developing largely top-down solutions to development dilemmas that have been defined in terms of broad regions, community economic development addresses its efforts at *utilising the resources and capacity that exist* within communities to establish development initiatives. As a reality check this approach recognises that some communities have more capacity and opportunities than others.

As such, a policy parameter that promotes the view that 'one shoe fits all' is inappropriate for a community economic development approach to regional development policy. This recognition places an emphasis on the linkage between capacity and community economic development models (CEDM).

4.6 CEDM and the Issue of Capacity

One of the key assumptions underlining the CEDM strategy is that the policy dilemma is not *whether* government will intervene in regions or municipalities where there is crisis: the issue is *how, when and where?*

To a large degree the answer to these questions, from a government perspective, focuses on perception of *need* and *potential*. This raises the issue of *capacity*.

Governments at all levels – federal, state and local – are more inclined to support and engage with communities that look to define their own solutions to existing problems. Hierarchical, centrally driven ‘solutions’ are policy responses of the past, largely discredited as being too expensive and inappropriate in terms of outcomes.

Community capacity has been defined by the Community Economic Development Centre (CEDC) based at Simon Fraser University, British Columbia, Canada, as the community’s ability to *identify*, *enhance* and *mobilise* its human potential, economic opportunities, social relationships, and ecological resources for the purpose of improved community stability (Markey et al, 2001). Perhaps under the challenge of globalisation, community stability should make way for either *community resilience* or *adaptability*. Successful CEDM appear to embrace these flexible characteristics. This is the ongoing challenge for the Dorset Community Economic Development Group.

The CEDC refers to a publication from the Aspen Institute, *Measuring Community Capacity Building* that attempts to outline some measurement for capacity building at the community level. The publication argues that eight outcomes provide a framework for measuring community capacity (cited CEDC, 2001:8). These are:

- expanding diverse, inclusive citizen participation;
- expanding leadership base;
- strengthened individual skills;

- widely shared understanding and vision;
- strategic community agenda;
- consistent, tangible progress towards goals;
- more effective community organisations and institutions; and
- better resource utilisation by the community.

These outcomes might be considered as benchmarks/performance indicators for the EDG and its strategic plan.

The significance of *capacity* within a CEDM is that if a community is unable to generate viable development initiatives based on an understanding of their strengths and capabilities, *external forces* are more likely to have a larger role in determining the future of the community. This often creates or repeats conditions of *dependency*.

In addition, adopting development initiatives that are *beyond* the capacity of the community will result in a transfer of accountability, value, and skills development to organisations and individuals outside of the community.

4.7 Benefits of Capacity Assessment

How does a CEDM measure capacity? Suffice to suggest that capacity can be gauged through the adoption of the following: development of a community profile; participant observation; community surveys; focus groups; advisory committees, community interviewing and asset mapping (audit). Within the objectives and context of the Dorset Economic Opportunities Study asset mapping (see below) is a relevant and useful tool.

Why should a CEDM measure capacity assessment? What are the benefits of capacity assessment?

Simply, measurement of capacity assessment increases the likelihood of the CEDM initiative being successful. As such it decreases the vulnerability to outside forces. Significantly, capacity assessment highlights opportunities (community strengths, often unknown or sometimes latent) and demonstrates areas where capacity building is required.

From a CEDM perspective, capacity assessment makes the planning process more relevant to local conditions, forms the basis for a community monitoring system, creates planning capacity and enhances public awareness and support.

4.8 CEDM and Regional Development Policy: The Role of Government?

CEDM have become a predominant focus in liberal democratic political systems approaches to regional development policy due to a number of factors. As Savoie indicates (2000) these include:

- the prevalent fiscal crisis and the ‘shrinking of the state’;
- the failure of hierarchical, centrally driven policy approaches; the negative impact of the neo-liberal policy environment of the 1980s on regional economies;
- the realisation at the regional level of the salience of the ‘end of certainty ‘ scenario where economies were confronted with ‘plenty of work but only a few jobs’ and;

- finally, the prevailing view that only the private sector can produce jobs growth and governments have had little success in ‘picking winners’.

These factors all contributed to an adjustment in regional policy towards decentralised, community based ‘solutions’ to a sense of growing uncertainty and real crisis. This adjustment meant that a range of ‘new’ issues became important in policy development for both government and communities at a local level. In the 1990s research literature emerged addressing the ‘factors’ influencing local economic development (LED). Wong (2002: 1836) developed a matrix of ‘factors’ as outlined in Table 6, below:

Table 6.

Definition of LED factors

LED Factors	Study Definition
Locational factors	Refer to attributes external to an area; the accessibility advantage gained from the spatial interplay between an area and its partner in the production and consumption process – for example, the markets, the suppliers, major business centres.
Physical factors	Refer to the availability and cost of suitable sites, premises and other built environment resources for development.
Infrastructural factors	Embrace the more immobile and long-term fixed production factors of an area; they are public goods as well as capital goods which facilitate the development of other economic development activities.
Human resources	Include the availability, participation level, quality, attitude, cost and other characteristics of the workforce.
Capital and finance	Are the financial resources (such as money and credit) available for investment in local businesses and for economic development purposes.
Knowledge and technology	Include frontier activities in research, knowledge development and technological innovation.
Industrial structure	Is the mix of industrial sectors in an economy; the degree of concentration of a few industrial sectors may affect its growth potential or vulnerability to economic changes.
Quality of life	Refers to the desirability of a place for living in terms of its non-marketable public goods which include the quality of the natural and built environment, public amenities and cost of living.
Business culture	Refers to the entrepreneurship and dynamics of indigenous (sic) business activities such as the ability of business start-ups and the capacity to innovate and adapt.
Community identity and image	Include the degree of mutual co-operation and social responsiveness of the residents to their daily living in a community, their attitude to business development and how this ‘character’ is perceived by the outside world.
Institutional capacity	Refers to the coherence of local policies and the co-operation among local actors to provide support and assistance to economic development activities.

Prominent policy advocates endorsed this adjustment to such an extent that a consensus emerged at the international policy level. Wong (2002: 1833) in her important work on local economic development in the UK draws on this literature to argue her case:

Porter (1990, 1991) [argues that] the central role of government is to provide a favourable environment by creating and upgrading the factor conditions in which firms are propelled to achieve increasingly sophisticated competitive advantages in their industries. He, nevertheless, emphasises that these are generalised factors and that they are too broad to provide a sufficiently complete explanation of economic success. Chisholm (1990) also argues that enhancing the quality of local factors of production rather than direct state intervention is the appropriate way to redress the relative economic decline of regions.

It is entirely appropriate to transfer Wong's LED factors to CEDM analysis. The LED factors are all critical to the EDG capacity to foster, advocate and market economic opportunities for Dorset in the medium to long term. Of these factors none is more critical to Dorset than the impact of infrastructure factors.

4.9 Factors Influencing CEDM?

As part of their consideration of regional development theories and their application, Savoie and Higgins highlight the importance of the existence and differential distribution of factors relating to geography, culture and entrepreneurship for regional development initiatives (1997: 19-53). In terms of the influence of geography upon regional development in Dorset, factors such as soil, climate and resource endowment can contribute to the development potential of an area. The established economic base of agriculture, forestry and fishing demonstrates this.

It can also be argued, however, that focusing development initiatives upon natural resources results in a lack of attention to issues relating to human resources such as science, technology and education (Savoie and Higgins, 1997: 20-23). The recognition that human resources are also important for development leads to the consideration of the significance of cultural traditions and perceptions in the ability of regions to prosper (Savoie and Higgins, 1997: 23-27). Ostensibly, Dorset appears to have an abundance of untapped or latent human and social capital capacity as a direct consequence of Scottsdale establishing itself as a service centre for the municipality. This has brought substantial administrative and human resource skills into the region. It could be argued that some of the skills are under utilized.

Sorensen outlines factors that are important for regional prosperity and development but can also be applied to the community economic development arena. Sorensen investigates and illustrates the importance of a number of factors upon regional conditions, these are: biophysical resource endowment; geographical accessibility; human and social capital; demography; changing lifestyle preferences; space transforming technologies; new production technologies; expenditure on public infrastructure; business management and development; and international events (2000). Many of them have a salience for development efforts at the community level; particularly those that include some focus upon capacity, such as human and social capital.

On the basis of preliminary observations, Dorset appears to have advantages in a number of Sorensen's factors:

- biophysical resource endowment being a particular strength;
- human and social capital demonstrating untapped potential;
- new production technologies being utilised in a number of primary industries including aquaculture, forestry and agriculture production - particularly water development and management;
- changing lifestyle preferences place Dorset in a prominent position in terms of opportunities as a rural based community with attractive coastal areas and;
- an adequate service sector with business management and development being a relatively untapped opportunity with a disproportional representation of managerial and professional skills within the municipality.

Factors that provide challenges for Dorset include:

- geographical accessibility to markets is undermined by poorly developed and neglected transport infrastructure, a significant impediment to growth and investment;
- space transforming technologies availability is somewhat restricted and access is often undermined by economy of scale deficiencies and consequent cost impediments;
- new space transforming technologies particularly in the telecommunications sector require significant subscriptions to available technologies to be commercially viable and this often falls short in regional areas;
- an international event, such as the move to global trading relations with a focus on competitive production, marketing and export focus is

both a challenge and opportunity for new and existing businesses in Dorset. The key here is to determine in the first instance what assistance can be provided to existing industry to facilitate export potential and growth.

4.10 Applying Sorenson's factors

Sorensen's factors will be applied to a range of proposed economic opportunities in this report in order to assess their efficacy and appropriateness as a regional development proposal for the Dorset Municipality. Does this project enhance Dorset's existing comparative strength as a region? Can this project positively address existing disadvantages encountered by the Dorset region?

Emphasising the fact that regions, and arguably, communities, have different needs, priorities, imperatives, preferences, tastes and interests, Sorensen points out that this renders 'one size fits all' attempts at regional development inappropriate (2000: 3).

He also highlights the importance of entrepreneurship by arguing that the capacity of those living within the region is an essential factor in the success of development efforts to the extent that the success of regional economic development ultimately depends upon the entrepreneurship of the region (2000: 3).

Additionally, Sorensen draws attention to the importance of the issue of education in successful attempts at regional development, stating "education in all its facets will be the crucial ingredient in regional improvement" (2003: 3).

Finally, but most significantly, Sorensen highlights the importance of policy stability in regional development (2000: 3). In order for community economic development policy models to be successful and sustainable, Sorensen claims that there is a need for consistent and enduring policy that extends beyond the timeframe of an electoral cycle at all levels of government (2000: 16). This highlights the need for institutional design in the development of coherent and sustainable approaches to community economic development. This reiterates the significance of the Dorset Community Economic Development Group as the community driver for Dorset's long-term sustainability.

This brief regional development policy literature review provides the impetus for, and the linkage to, community economic development models for smaller regional communities such as Dorset.

Whilst community economic development models are fashionable within regional development policy this is not to suggest that they are necessarily a *panacea* for communities facing some type of disruption to their stability and sense of well-being. They do however provide a reference point for communities such as Dorset wanting to pursue social, economic, environmental and cultural opportunities into the future in a manner that is driven by community capacity and priorities. What can CEDM offer in terms of a methodology that might inform our understanding of the opportunities that might advance the sustainable development of Dorset?

4.11 CEDM and Methodology

Due to its focus on community capacity, community economic development models do support the notion that *capacity building* can be measured at both a quantitative and qualitative level. Asset Mapping is the most pertinent tool for this type of analysis.

4.12 Asset Mapping as a Capacity Measuring Tool

Asset Mapping as a community capacity measuring tool is largely attributable to John Kretzman and John McKnight who outlined their idea in a publication: *Building Communities from the Inside Out: A Path toward Finding and Mobilising a Community's Assets*, 1993. Both authors are based at the Centre for Urban and Policy Research, Northwestern University, Illinois.

4.13 What is Asset Mapping?

Asset Mapping is a visual path displaying capacities and assets. Community members identify what is an asset and how it can benefit their community. This allows the community to move away from a *needs* based focus. An 'inventory' of assets involves identifying the tangible and intangible resources that *already* exist in communities.

Traditional community development models tend to be *needs* based, focused on institutional change, problems and concerns, and power-based relationships. Communities tend to be treated as a consumer or a client. Needs are based on identifiable community problems: unemployment, truancy, broken families, crime, child abuse, housing shortages.

Asset Mapping rather than focus on needs looks to community assets with the purpose of building communities, developing and advancing community aspirations through community relationships including networking, leadership and mentoring links. Here the community rather than being a client or a customer is seen as a producer and owner of assets – regarded as community ‘treasures’ – for example, youth, elderly, artists, churches, parks, libraries, clubs, hospitals, schools.

This Report envisages that community skills based asset mapping will be carried out under the auspices of the Dorset *Connector*.

The central focus of this report is to outline the significance of asset mapping for economic opportunities. Hence, the asset mapping carried out for this Report was initiated by the EDG.

Asset Mapping is a valuable methodology for CEDM because it reinforces the central premise of CEDM – economic opportunities in the first instance can and should be found within the *existing* economic base of the community. Despite anecdotal evidence, statistical data, existing reports and local knowledge asset mapping of the Dorset economic/industrial base will provide a far more reliable and up-to-date measurement of capacity in relation to a range of significant indicators, both qualitative and quantitative.

4.14 Characteristics of Asset Mapping: Focus?

Three characteristics make asset mapping a pertinent methodology for CEDM. Asset mapping emphasises the following:

- It is asset based - what *exists* in the community *right now*, not what is wrong or may be missing
- It is internally focused - assets provide a link to strategic planning and priority setting - not reliant on outside experts or consultants
- It is relationship driven - local people, associations and institutions - team work and communication.

4.15 Process – Pre Planning

Asset Mapping initially requires a local ‘table’ of people who have the purpose of building and anchoring relationships within the process. This links the Dorset Community Economic Group to asset mapping. The local ‘table’ decides who needs to be involved? Who will be involved? For example, in relation to the business survey, the EDG will have the task of responding to the qualitative data that details business responses as to *how* the EDG might best enhance business opportunities in Dorset?

4.16 Asset Identification and Inventories

This requires the identification of geographic boundaries; identifying individuals, associations, institutions and local business and industry; developing a method/instrument for collecting asset information; and compiling information into asset inventories. The key to capacity/asset inventories is remembering it is about individuals and relationships, not data.

Asset mapping can relate to individuals (skills), associations, institutions and local economic and business assets, previous asset inventories. Previous asset inventories are crucial. They may take the

form of a community strategic plan; an economic development strategy or a program for community development. The results of these experiences are important assets because of the information collected and the experience shared by community individuals.

Communities are best placed to determine whether all assets will be mapped or only some. It should be considered that individual asset mapping often provides the basis for the leadership linkage, particularly relating to mentoring and entrepreneurship.

4.17 Community Vision and Mobilisation

Once the assets have been identified a strategic action plan is developed. This means that assets, rather than rhetoric or unrealistic expectations inform the strategic plan. This will one of the tasks assigned to the Dorset Community Economic Development Group. Asset Mapping in its variety of forms will assist the EDG to formulate and target capacity building, and measure it, within its strategic plan.

4.18 Indicators of Capacity

For CEDM what are some of the success factors that indicate increased capacity? The CEDC (2000:96-98) has outlined a range of success factors that relate to four key areas for capacity analysis: human, social, economic and ecological capacity. These success factors lay the foundation for the development of *targets, benchmarks, quantitative and qualitative* analysis for CEDM and assist planning and evaluation into the future. These factors are outlined in Table 7, below.

Table 7.
Indicators of Capacity: Areas and Factors

Human Capacity	Social Capacity	Economic Capacity	Ecological Capacity
Skills and Education	Sense of community	Economic health	Ecosystem health
Leadership	Community-based organisations	Diversity	Natural resources
Civic Engagement	Community participation	Adaptability	Commercial harvesting
Entrepreneurial spirit	Community planning	Health of local businesses	Ecological amenities
Labour force	Community co-operation	Sustainability	Stewardship
		Informal economic activity	
		Local control	
		Access to capital	
		Location Infrastructure	
		Amenities	

Whilst this is not an exhaustive list it does provide a foundation framework for developing an appropriate set of comprehensive tools that allow for capacity to be measured around a group of success factors. All these factors are significant indicators for future evaluation and review. As such they can be incorporated into the strategic plan of the EDG in the medium to long term as the institution defines its pathway forward.

4.19 Mapping Dorset's Economic Assets

The Dorset economic asset map will establish information and assess capacity and opportunity in a number of areas. These include:

- the type of business (retail/service);
- turnover estimates;
- extent of local ownership;
- main business activity;
- years of operation;
- linkages with other business (existing and potential);
- expansion plans;
- constraints on expansion;
- extent of export based industry;
- opportunities for import replacement within Dorset;
- economic condition of the business;
- expectations of sales movement;
- number and type of employment (full-time and part-time);
- skills needs and satisfaction;
- links to existing and potential employee and employer training.

In addition, the asset mapping survey will take the opportunity to explore qualitative issues that relate to doing business in Dorset:

- what the challenges and opportunities are for business in Dorset and;
- the role of the Community Economic Development Group (EDG).

Details of the survey's questions can be found in Appendix A.

4.20 Analysis and Results of Asset Mapping: Business Survey¹

Introduction

In May 2003, the Dorset Economic Development Group (EDG) invited all households in the Dorset municipality to participate in a ‘Community Self Help Survey’. The survey sought to ‘encourage ... the community to be proactive to direct the future economic and social development of the Dorset district.’²

The planned closure of a major industry, Simplot, and the concomitant loss of jobs (120) in the Dorset district focused attention on the need for the community to work with industry and government to create new economic opportunities. The Dorset Economic Opportunities Study was commissioned by the Dorset Council to better understand ‘...existing circumstance and development potentials...’³ in their community.

The community self help survey sought to provide some baseline data to help ‘...focus resources and energy into specific areas of need/opportunity for... business growth.’⁴

The survey was prepared in consultation with the University of Tasmania and the results analysed by the School of Government, University of Tasmania.

¹ The author of this Study wishes to acknowledge the contribution of Theresa Doherty, Ph.D candidate, School of Government, University of Tasmania, to this component of the Study. The usual caveats apply.

² Dorset EDG May 2003, letter of invitation to participate in survey from chairman of the Dorset EDG

³ *ibid*

⁴ *ibid*

Methodology

Postal Surveys were sent to all households in the Dorset District. The survey had two components; Part A to be completed by all respondents; Part B to be completed by those respondents who owned or operated a business in the municipality. A pre-paid return address envelope was supplied with each survey form to facilitate returns. The survey consisted of both closed and open-ended questions, allowing respondents considerable scope to express their opinions on both the current and future prospects of their community.

Results Response Rate

3219 survey forms were distributed and 271 were completed and returned, a response rate of 8.5%. The small number of returns makes it difficult to draw statistically valid conclusions from the results. However, given the number of open-ended questions and the enthusiasm of the responses, much valuable qualitative information was collected and will be reported on in some depth.

Of the 271 returns, 92 (34 %) respondents completed Part B indicating they operated a business in the district. 60 business respondents (65 %) identified themselves and the nature of their business.

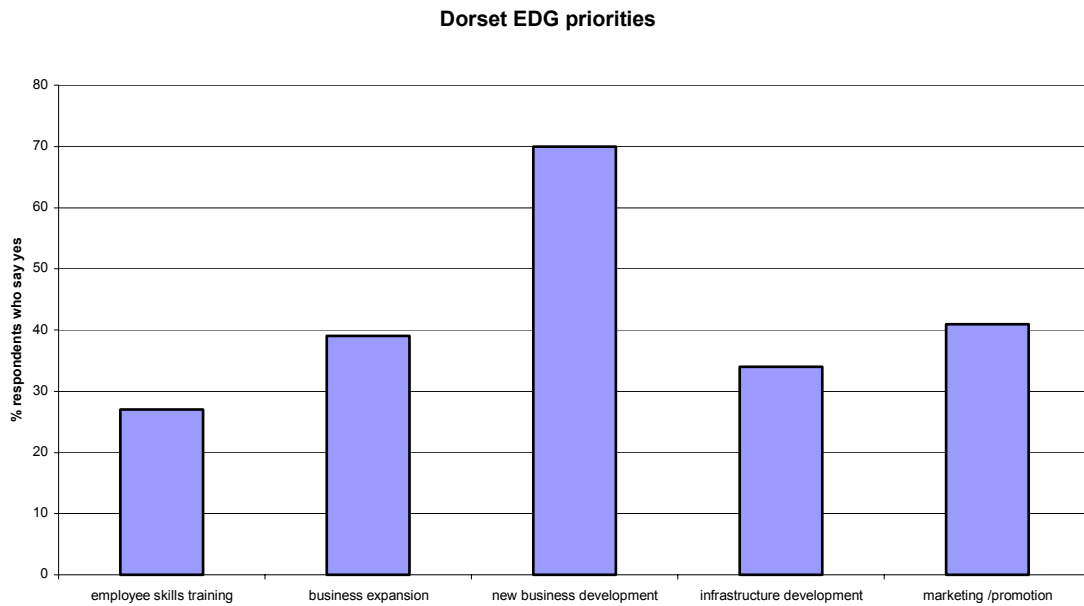
Results Part A

Economic Opportunities Priorities

Respondents were asked what they would like the Dorset EDG to concentrate on in the economic opportunities study. 70% of respondents indicated 'seeking and researching new business', 41%, 'promotion and marketing of existing business product', 39%,

‘expansion of existing business’, 34% ‘prioritising infrastructure development for Dorset’ and 27% ‘skills needs and employee training for business’. See Figure 1. below.

Figure 1 Economic Opportunities Priorities



8 % of respondents indicated other priorities, which included tourism, upgrading of roads and highways and increasing the population.

Challenges and opportunities

The community was asked to identify the most important economic challenge and opportunity facing the Dorset district. 22.6% of respondents identified employment issues as the most important challenge. Responses varies from the very specific:

‘Find employment for 100 people after Simplot closes’

to general concerns over employment opportunities for youth and creating an employment future for the district's children. Creating new business (12.3%) and sustaining existing business (9.4%) were also identified as challenges. Keeping the existing timber industry viable was a recurring theme as was the clear link between local employment and a strong local business sector typified by responses such as:

‘Stimulate economic growth to prevent exodus of citizens leaving for work opportunities.’

‘New business so people will stay’

‘Attracting new industries or expanding existing ones for purpose of long term employment’

11.5 % respondents identified tourism as the biggest challenge. There was a perception that while the North East was a place of great natural beauty and the twin ferries had boosted visitor numbers, more needed to be done to attract tourists and keep them in the area longer. Again there were specific issues including the Lilydale road, need for accommodation and expanding camping facilities but for most respondents tourism meant jobs and economic growth. One person summed it up:

‘... do anything possible to keep tourists in the area as this boosts the economy.’

Infrastructure concerns, particularly roads, were identified as the main challenge by 7.2% of respondents. Walkways, footpaths, bikeways and town beautification were also specifically identified.

5.5% saw population issues as a major concern, particularly keeping young people in the area. Other respondents (4.7%) acknowledged the need for attitudinal change as the challenge. Fear and apathy among the population over the loss of Simplot, resistance to change, and negativity toward local projects were all identified as stumbling blocks.

This sentiment was perhaps best expressed in one response:

‘Negative & tall poppy attitude towards people prepared to have a go or try something new’

The need for industry diversification (3.4%), environmental concerns (3.4%) and building a strong community (2.6%) were also identified as challenges. The closure of the Simplot factory was specifically identified as the major challenge by 2.6% of the respondents

A smaller number of respondents (1.7%) recognized the council as part of the challenge. For example:

‘Council being more accountable, open and above reproach’

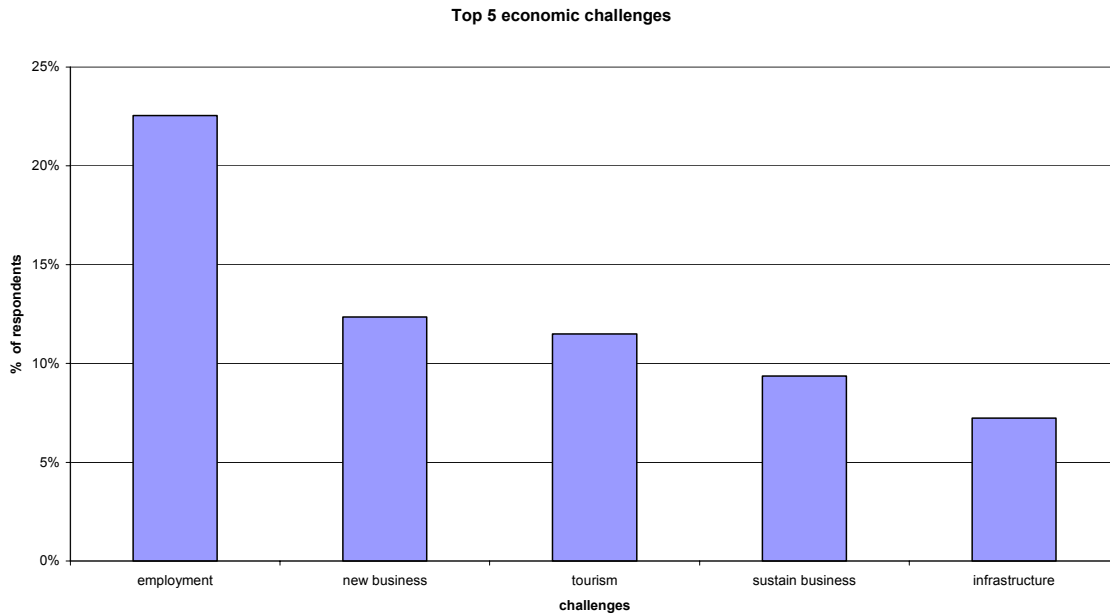
‘ Council negativity, change siege mentality’

‘To encourage people to do more to help their own towns grow, do more to take care of their town to help reduce council [influence]’

‘Rationalise council office staff’

Figure 2 below shows the top 5 challenges identified

Figure 2 Economic Challenges



Tourism, including ecotourism, was seen as the most important economic opportunity by 26.8 % of respondents. Improved tourism infrastructure was also identified as another opportunity. This included such things as redeveloping the caravan park, providing a laundromat, shower facilities, service guides, fishing guides, accommodation, powered sites for motor homes and enhancing streetscapes.

14.0% saw opportunity in business support and development and 8.6% saw agriculture and primary industry as strengths. The natural resources (5.6%), lifestyle opportunities (5.6%) and skills and resources already in the community (4.0%) were also seen as advantages. Examples include:

‘People want to live here because of the peace and natural beauty but they need to be able to make a living and maintain a decent lifestyle.’

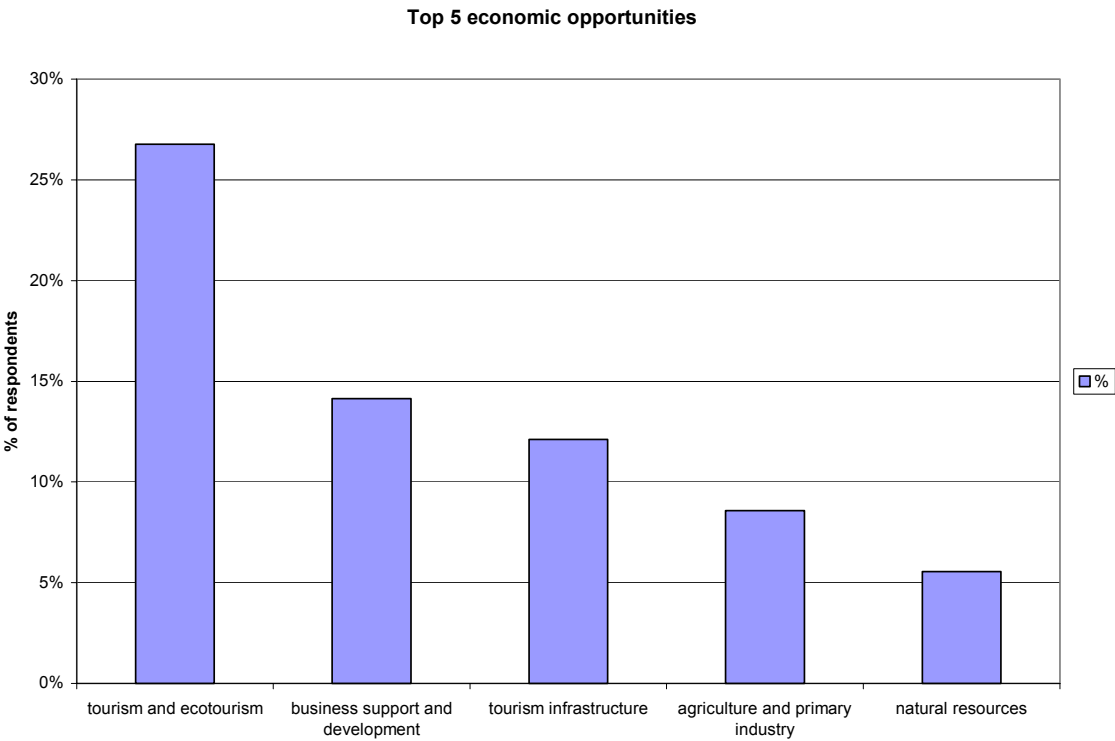
‘Take advantage of the wide range of skills available and use them to best potential. e.g. wind farm for local employment.’

‘Redevelopment of high school, Simplot complex, promoting tourism like fishing and bushwalking.’

‘Capitalise on diversity and landscape’

See Figure 3 below for top five economic opportunities

Figure 3 Economic Opportunities



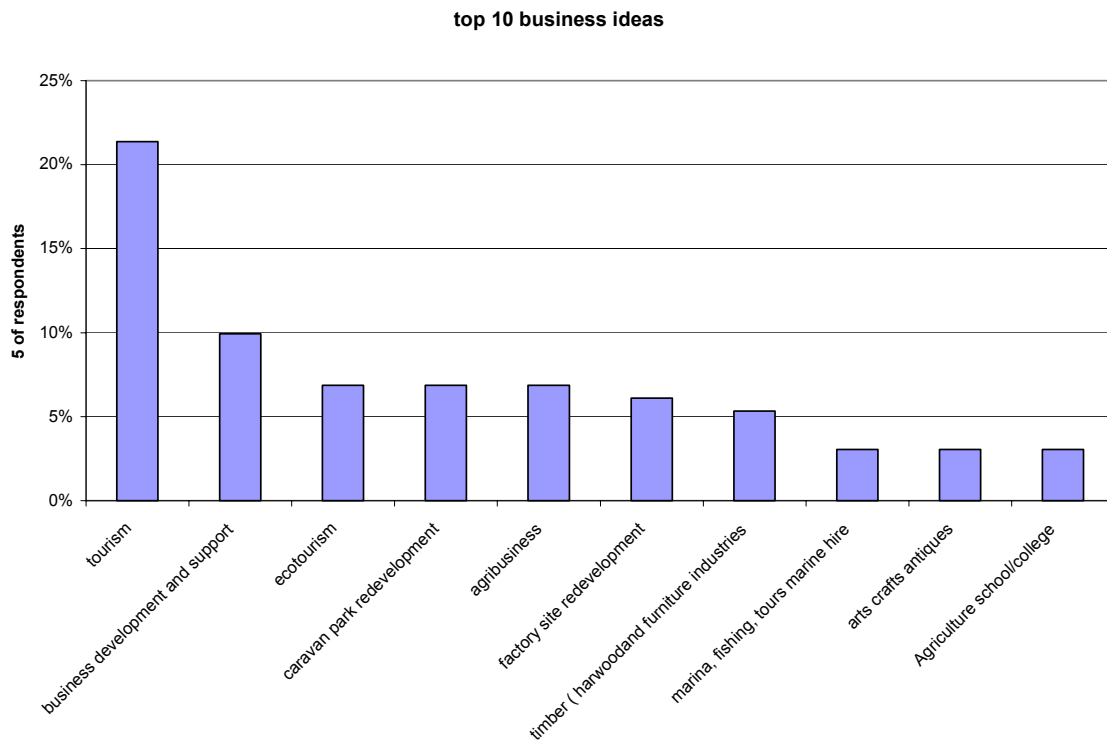
Business Ideas

144 respondents (53%) said they had a business idea for Dorset. 21% of ideas were related to tourism ventures, and a further 7% to ecotourism. 10% to business development and support, 7% to caravan park redevelopment, 7% to agribusiness and a further 6% to redevelopment of the Simplot factory site. Other ideas included

development of the hardwood timber and fishing industries, marina development, fishing tours and boat hire, arts and crafts and antique businesses and an agricultural school or college. Individual responses included a pulp mill, power generation plant, a food research centre and an agricultural museum.

Figure 4 below shows top 10 business ideas

Figure 4 Top 10 Business Ideas for Dorset

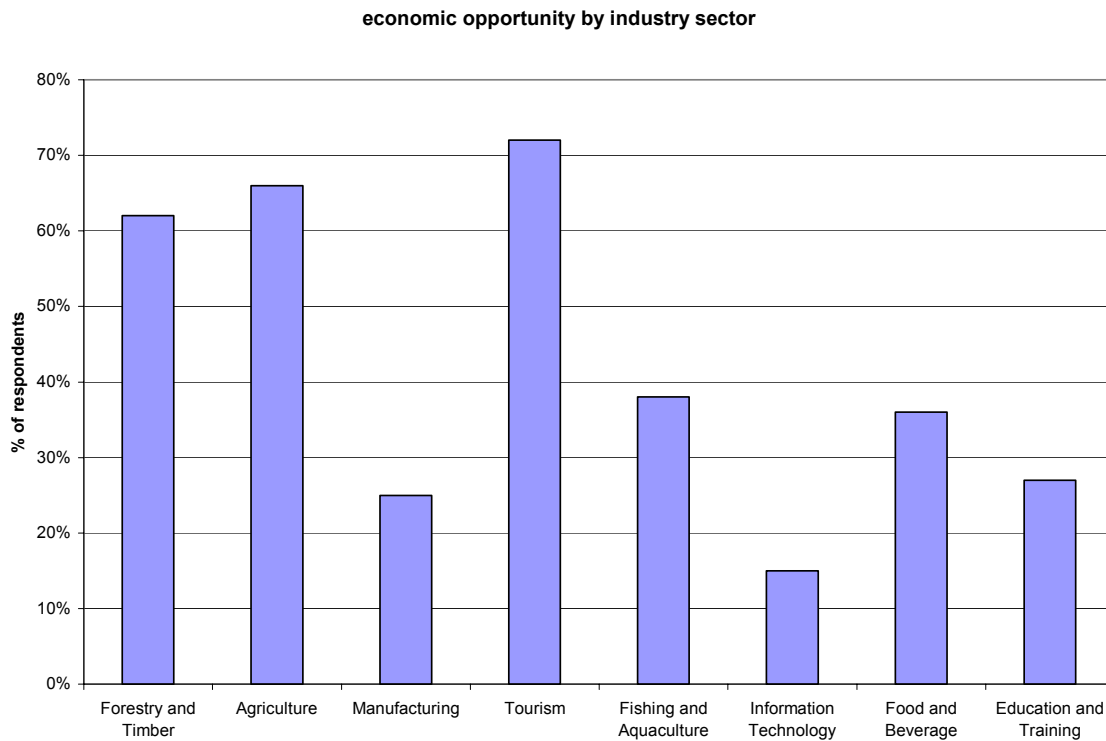


Industry sectors

Respondents were asked to identify which sector(s) they thought provided the best opportunity for economic development in Dorset with multiple responses the norm. Tourism had the highest response rate of 72%, followed closely by Agriculture (66%) and Forestry and Timber (62%). Fishing and Aquaculture were seen as a good opportunity by 38%, Food and Beverage, 36%, Education and

Training 27% and Manufacturing 25%. Only 15% perceived Information Technology as having economic development potential. See figure 5 below.

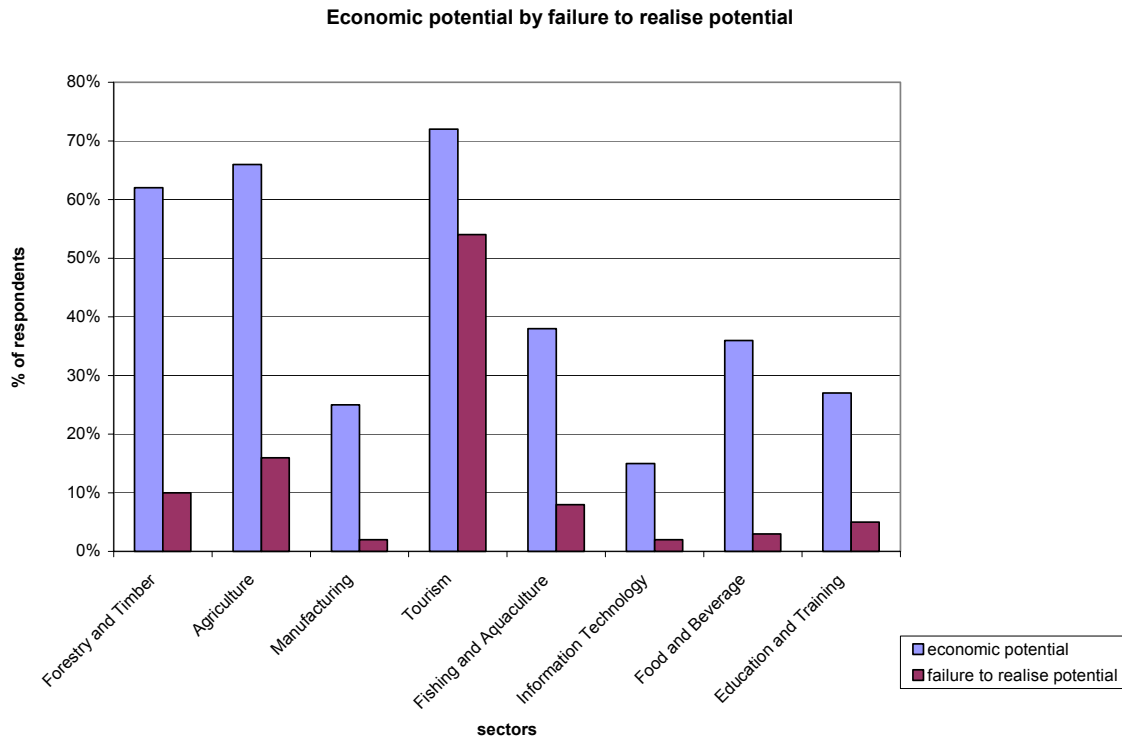
Figure 5 Opportunities for Economic Development



Respondents were further asked if they believed there were industry sectors in which ‘Dorset had a competitive advantage’ but had failed to realise that advantage. 70% of respondents said ‘yes’. The vast majority (54%) identified the tourism sector as not fully realising its potential, and to a lesser extent agriculture (16%), forestry and timber (10%), fishing and aquaculture (8%) and education and training (5%). Only a small percentage perceived the food and beverage (3%) and information technology (2%) and manufacturing (2%) sectors as having advantages that were not being realised. See Figure 6 below for a comparison

between the sectors' perceived economic potential and their capacity to realise that potential.

Figure 6 Industry sector potential by capacity to realise potential



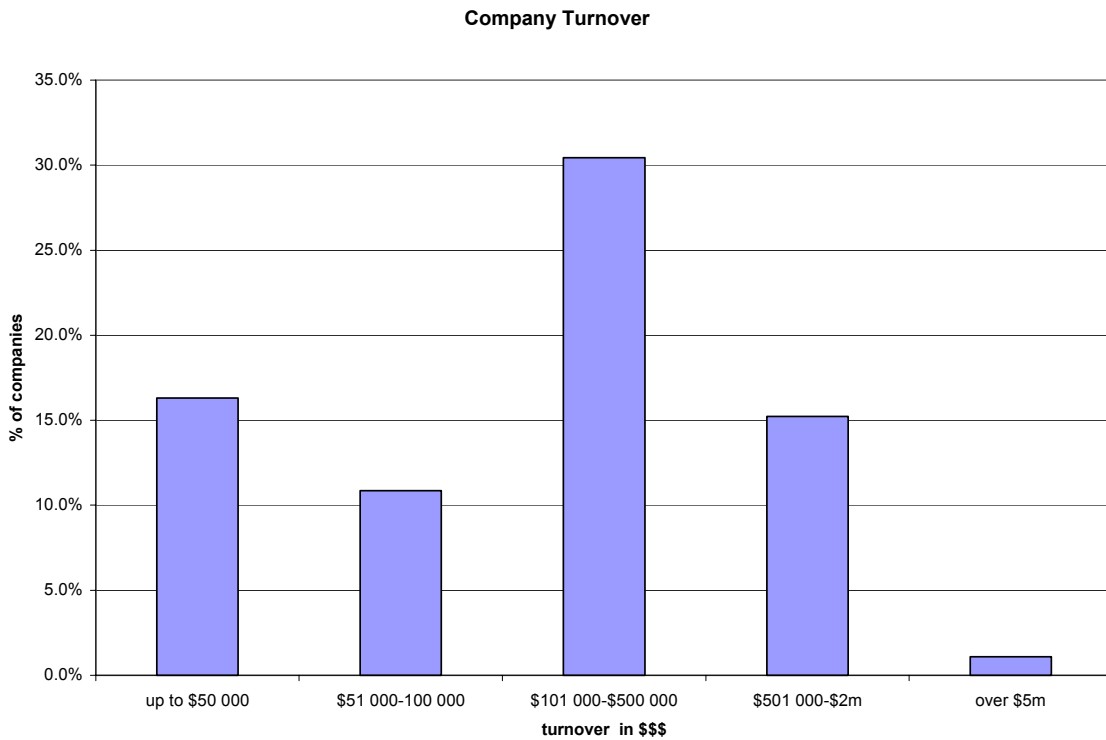
Results Part B

Profile of Business respondents

Company turnover

The majority of business surveyed had a turnover of between \$101,000 and \$500, 000 per annum (30%). 16% reported a turnover of \$50 000 or less, 15% reported \$501,000 to \$2m, 1% reported \$51 000 to \$100 000 and only 1% reported in excess of \$5m. 27% of respondents did not answer the question. See figure 7 below:

Figure 7 Company Turnover



Ownership

91% of the businesses surveyed were locally owned with only 1% identifying as belonging to a regional or national chain, 1% as franchised and 2% owned outside the local area. One company classified itself as ‘international’. 44% were family owned businesses, 22% had a sole proprietor, 19% were partnerships, 7% corporations, 4% limited partnerships and 3% a subsidiary or branch.

70% of respondents reported owning their business premises while a further 19% rented or leased premises. The remainder had variety of arrangements including share ownership or rent/own arrangements.

Activity

23% identified their main activity as retail, 19 % as service, 11% as manufacturing, 9% as professional and 6% as wholesale. 32% of respondents identified 'other' activities, mainly farming and agriculture.

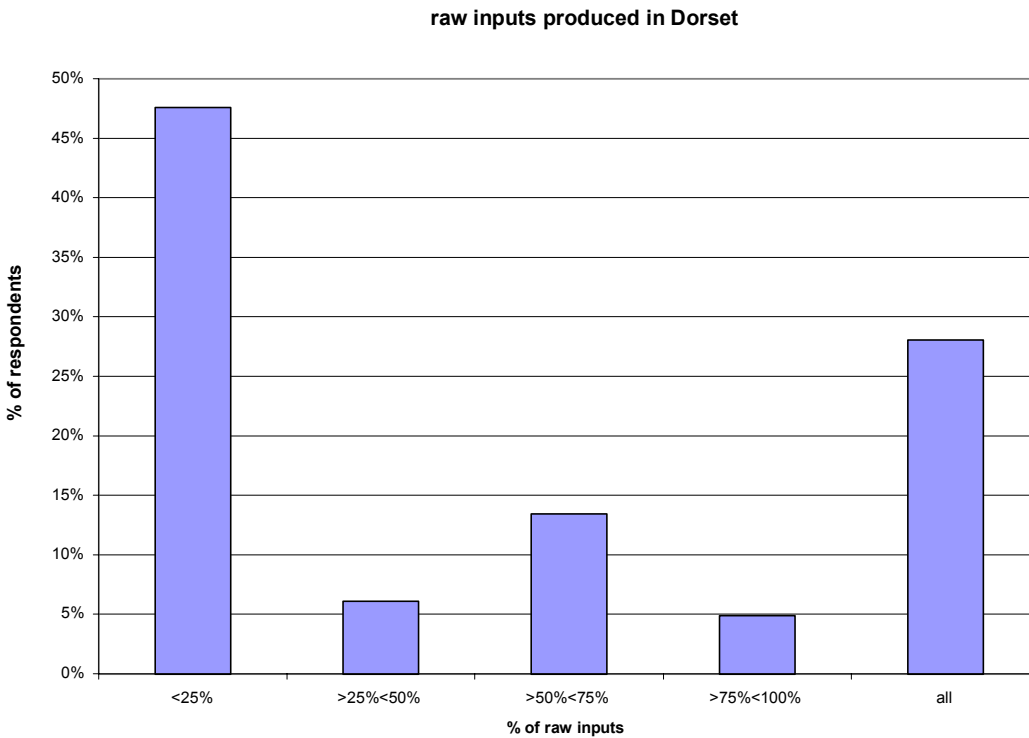
Years in business

6% of business respondents had been in operation in the N.E. Tasmania for 1 year or less. 21% reported two to five years in business with 11% operating for six to ten years and 32% for 11 to 20 years, 12% had operated a business for 21-30 years and 18% had for more than 30 years.

Raw inputs

48% of businesses surveyed sourced less than 25% of their raw inputs from Dorset, while 28% sourced all raw inputs in the area. A further 13% sourced between 50 and 75% of raw inputs locally, while another 5% sourced more than 75% of raw inputs. 6% of respondents reported sourcing between 255 and 50% of their raw inputs in Dorset. See Figure 8.

Figure 8 Raw Inputs Sourced Locally



35% of business said they were very reliant on other business in Dorset, 42% were somewhat reliant and 23% were not reliant.

Imports

42% of businesses surveyed used imports, including farm and other machinery, chemicals, fertiliser, seed, stock, computer parts and accessories, telephones and other technology. Most of the imports identified appeared to be related to farming and agricultural businesses.

20% of respondents said they sourced raw material from outside of N.E. Tasmania even though they might be available locally. Products identified included seeds, grain, fresh fish and fruit, machine parts, engineering products, printing, stationary, and professional services.

24% of business exported their products and at least half of the respondents said they exported internationally to Asia, Europe, New Zealand, USA and the Middle East. Products were also exported to other parts of Tasmania and to mainland Australia. The major exports were livestock, beef, wool, timber, milk and other agricultural products including poppies, honey, lavender oil and vegetables. One respondent reported exporting ‘consultancy’. It is not clear how much value added or down stream processed produce was exported.

Employee profile

458-478 ⁵ people were employed by the businesses surveyed. 50% were employed on a full time basis and 50 % on a part time basis. 62% were male and 38% female. 36% of businesses said they would be hiring employees in the next year, 13% said they would not while 9% were not sure. More than 30% of respondents did not answer this question.

The vast majority (70%) of the business respondents reported they employed five or less people. 13 % employed six to ten people and 8% employed 11 to 20. Only one business reported having 31 to 40 employees and one other had more than 50 employees.

Employee skills and training needs

Employers were overwhelmingly satisfied by the skills base of their existing employees with 45% reporting ‘very satisfied’ and a further

⁵ One respondent estimated between 20 and 40 employees depending on needs.

33% 'somewhat satisfied'. Only 2% of employers said they were not satisfied with the current skills base and 7% 'somewhat not satisfied'.

Despite high levels of satisfaction, employers did identify relatively high levels of skills/training needs in some areas. 43% said employees needed training in efficiency skills, 36% identified needs in organisational skills and 33% in problem solving skills. 32% identified training needs in technical skills and 29% in customer relations skills. Sales skills (22%), marketing and product design (11%) and research and development (13%) were not perceived as high need areas. Training was identified as needed for groups such as farm labourers and machine operators, and in arenas such as occupational health and safety and computers.

49% of respondents said their business had participated in employee training in the previous three years and 41% said they would make use of training opportunities to meet specific needs. Business had participated in apprentice training as well as training courses run by TAFE, Agsafe, DHHS and the University of Tasmania. They had received training in diverse areas including agriculture and primary industry, computers and information technology, hair and beauty, first aid and health, sales and retail, small business management and MYOB and customer relations.

Areas of interest for future training include agriculture, business management, communications, computing, grief counselling, dairy industry, environmental management, marketing and customer relations, safety standards and technical skills.

Economic health of business

8% of respondents described their business as declining economically, 51% said they were in maintenance mode while 38% said they were growing and expanding. Amongst other responses were ‘consolidating, new start-up and in a slow decline.’

However 49% said they expected to expand the range of goods and /or services over the next three years. 54% expected sales to increase, 27% expected them to remain stable and 13% did not know. Only 1% expected sales to decrease.

Business potential

Nearly two thirds (66%) of respondents indicated plans to expand their business but only 11% reported they would seek government assistance to do so. Respondents were asked to identify the one primary constraint on expansion but unfortunately more than one answer was given in most cases. Consequently the percentage of respondents who identified each item as a restraint will be reported. As can be seen in Table 8, below, lack of cash flow and lack of expanding markets are major restraints on expansion.

Table 8 Restraints on Expansion

Restraint on Expansion	%
Lack of cash flow	26%
Lack of space	13%
Inability to access finance	5%
Lack of experienced Management	7%
Lack of available labour	11%
Limited access to market	14%
Lack of expanding market	22%
Other reasons	23%

Amongst the ‘other reasons’ cited were council negativity and constraints, insurance costs, time and concerns over profitability. Three respondents cited old age as a restraint.

Advantages and impediments to business

Respondents were asked to identify the three most negative aspects of running a business on N.E. Tasmania. Transport of goods, freight costs and poor roads were identified repeatedly as issues for business people in the area. To a lesser extent the low population with its associated impacts such as limited customers, limited skills, limited markets for products all impacted on business. Isolation from services and markets and unreliable power supply and water supply were also identified.

A number of business respondents were critical of the Dorset Council. Responses included:

<p>‘Council’s negative attitude’ ‘Lack of vision in Council’ ‘No leaders’ ‘Conservative local government with limited resources’ ‘Negative local council’ ‘Council ignores business requests’ ‘Council negativity’ ‘Council not proactive in helping existing business’ ‘Weak council’</p>
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One respondent wrote:

<p>‘ Council should adopt a “shop locally” policy. The local authority should work with business to develop opportunities. The order of the day should be “How can we achieve this?” rather than “What is wrong with this proposal?”</p>
--

And others:

‘Dorset council needs to think of the future’
‘The local council must have a vision for the next 50-100 years’

Yet another was more direct:

‘Get the Dorset council to pull their finger out and make the area attractive to
visitors/investors’

But one respondent reported that:

‘All dealings with council have been positive’

State government disinterest and government red tape were also identified as business impediments. As was the tendency for government to ‘see the NE...not as part of Tasmania but only as a source of abundant raw materials’ which enrich and provide employment for other parts of Tasmania. In the additional comments there was a real sense of untapped potential in areas of tourism and agriculture and natural resources.

On the positive side, respondents repeatedly identified the close community, community spirit, friendly helpful people, quality of life, lifestyle, natural beauty and clean environment as business advantages. Affordability in terms of houses and rents and the honesty and work ethic of the locals were also seen as advantages.

Summary

The Dorset EDG Community Self Help Survey has provided some valuable insights into how the community perceive their economic and social future. It is not possible to ascertain how representative the

views expressed are of the wider Dorset community, but some strong themes have emerged.

Respondents felt quite strongly that the Dorset EDG should focus on both creating new business and expanding and supporting existing business. They also clearly identified the need for diversification of industry to create new employment opportunities for the present and the future. While a number of respondents referred directly to the Simplot closure and its impact, relatively few members of the community perceived it as the *major* economic challenge. For example, population growth and the need for attitudinal change were identified nearly twice as often as major economic challenges.

Tourism was seen as both a significant economic challenge and an opportunity and it was also perceived as the sector that was *least* living up to its potential. Amongst the general respondents there were more 'new business ideas' related to tourism than to any other sector including agriculture and forestry.

The traditional rural sectors of agriculture, forestry and timber, aquaculture and fishing were all perceived to have good economic potential by the respondents. While much of the opportunity was seen to reside in the natural advantages of the NE environment, a number of respondents also identified these sectors as having potential for tourism ventures as well. For example farm and fishing tours, forestry walks, distilling industries, and industry related museums.

Information technology was not perceived as a strong source of future economic advantage. It was assessed by the least number of respondents as having economic potential and the least number felt it had not capitalised on its potential.

Education and training fared better but again it was not a sector the community appeared to identify with future economic growth. While the Dorset community appeared to value training and education for individuals and businesses reported relatively high levels of participation in employee training, the idea of being education and training providers rather than consumers did not emerge strongly. Similarly the idea of information technology as anything other than an adjunct to more traditional business pursuits did not emerge. Part B of the survey concentrated on the views of business people in the community. Again caution should be exercised in interpreting results due to the small numbers.

The businesses which did respond were generally small, locally owned, employed 5 or less people and were involved in the farming and agricultural sectors. Nearly two thirds of respondents had operated a business in the area for more than 11 years.

Business confidence appeared relatively high with most expecting their business to remain stable or grow in the foreseeable future. Nearly half expected to expand their goods and services over the next three years while more than half expected sales to increase. Nearly two thirds planned to expand their business but only a small number anticipated government assistance to do so. This might indicate low

levels of awareness regarding availability of government assistance or it may be due to rural cultural norms. Lack of cash flow and lack of expanding markets were perceived as the major impediments to business expansion.

One quarter of respondents exported their products, around half of these to overseas markets and half to markets within Tasmania and mainland Australia. Exports were almost exclusively from the agricultural and timber industries.

There appeared to be a substantial level of interdependence between businesses in the district where a clear majority saw themselves as reliant to some extent on other business. However, relatively large numbers, particularly in the agriculture sector, imported business materials from outside of NE Tasmania.

While employers appeared happy with the skill base in the region they did identify the need for on going training in some aspects of business, particularly efficiency, organisational and problem solving skills. Nearly half of respondents said they had participated in employee training and slightly less would be willing to use training opportunities should they become available and were specific to their needs.

Poor roads were perceived as having a significant negative impact in the region. They were a hindrance to business in terms of transporting goods and access to markets and as well as an impediment to tourists. Lack of appropriate tourist accommodation, particularly the part

closure of the NE caravan park was a big issue for many respondents as was perceived lack of support for business ventures by the Dorset Council.

However, the close community, high level of community support and the abundant natural resources and beauty of the region were all perceived as conferring economic advantage that could be acted upon for the benefit of the whole community.

There appeared a willingness amongst respondents to create a future for NE Tasmania that built upon their rural and primary industry traditions but were not limited by them. There was evidence that respondents were not thinking only of their own immediate future but a sustainable future for their own children and the wider community. While there was a sense that economic prosperity depended to a great extent on harnessing tourist potential in the area, there was also a sense that tourist development should be sympathetic to the environment.

4.21 Dorset: Regional Development Limitations and Opportunities – What do we know?

Regional development theory emphasises that one of the main obstacles to community/regional growth is ‘economy of scale’ deficits. Small communities such as Dorset, it is argued, are restrained by their production limitations. Consequently, they struggle to produce products at the scale of production necessary to meet either supply requirements (market) or at a competitive cost to access the market in the first place.

Critics of community economic development point to the vital need for regional co-operative frameworks (governance) to advance the opportunities, marketability, rationalisation, collaboration, and political leverage necessary for funding opportunities. Regions - the critics of CEDM argue - that are able to demonstrate an efficient, effective institutional design for regional co-operation and enhancement are better able to seek opportunities in a competitive global economy because there is potential for such arrangements to address ‘economy of scale’ deficits and reap a range of benefits for participating communities within an appropriate and legitimate regional governance body.

The extent to which communities such as Dorset can attach themselves and their product line to ‘economies of scale’ assisted by regional co-operative governance is *one* opportunity to *enhance* their sustainability in an increasingly competitive global economy. Collaborative industry planning initiatives at a local and regional level can assist this innovative economic opportunity. This however

requires the existence of appropriate and able regional governance bodies.

Whilst such an organization exists in northern Tasmania – the Northern Tasmanian Regional Development Board (NTRDB), trading as *region north!* – its legitimacy as a representative, democratic, transparent body is somewhat undermined by its apparent lack of capacity to generate support within the region for either its activities or its continued existence.

Whilst the future of the *region north!* remains problematic it has nevertheless provided some tentative steps in making a contribution to regional approaches to economic development with the release of *Economic Development Plan for Northern Tasmania (2002)* and the accompanying *Profiles of Northern Tasmania's Core Industry Sectors (2002)*. The former Report does highlight some existing and potential development opportunities for Dorset. These include:

- Potential flow on benefits of major infrastructure projects for Tasmania – Basslink; Natural Gas; and renewable energy with the proposed windfarm development at Musselroe Bay, in Dorset's northeast extremity;
- Water development projects including the Waterhouse Community Irrigation Development in the central north of Dorset. The demise of Bonlac's dairy processing plant at Legerwood was one impetus for the *SummerRains Project*, sponsored in 1998 by a local engineering company, Bosch Engineering Pty Ltd, aimed at developing sustainable irrigation in Tasmania. In Dorset, a significant project within the *Summer Rains Project* is the

Waterhouse Community Irrigation Development which if fully developed, would irrigate the entire Waterhouse District, bordering the central north coastal range, from the Great Forester River in the west to the Ringarooma River region in the east and south to Oxberry Plains through to Tomahawk in the north. This project is currently undergoing impact assessment and associated studies before being subjected to Tasmanian government review and evaluation with the Tasmanian Water Development Plan process. (Further details of the Waterhouse project are provided in this Report). A number of other water management projects are proposed by the Northeast Water Development Group;

- The anticipated tourism growth (30%) flowing from the introduction of the two monohull ferries on the Bass Strait crossing (three with the Sydney link in January, 2004) is a timely incentive for Dorset's emerging tourism strategy. Tourism remains relatively underdeveloped in Dorset and it needs to link into the regional (northern) tourism strategy;
- Agricultural expansion and innovation opportunities linked to Dorset's potential to ride on the back of Tasmania's comparatively disease free status; temperate, stable growing climate; innovative and sustainable practices; competitively priced land and; the potential for improved freight and logistics environment into the municipality in the future;
- Potential for Biofuels development in Dorset, particularly ethanol production (CSR) from sugarbeet;
- Dorset needs to explore the potential/feasibility for bio-prospecting, essential oil production (beyond existing sites), pharmaceutical and nutraceutical products, and high value food

crop developments such as Japanese strawberries, walnuts and premium grain production on the basis of market opportunities presented by drought conditions on the Australian mainland;

- Aquaculture expansion into new species for culture and the capacity to redevelop oyster, scallop and eel harvesting and processing facilities.

What is clear from the statistical data presented in the profile of Dorset and the reports outlined above, is that Dorset's economic assets and socio economic opportunities have been traditionally linked to agriculture and forestry. New emerging economic opportunities are linked to innovation and collaboration in these traditional sectors and the development of tourism and natural resource management, both underdeveloped sectors in Dorset.

4.22 Agriculture in Dorset⁶

The Dorset region was settled primarily because of its wealth of natural resources of which those necessary for successful agricultural pursuits are abundant. Such resources soon led to development of a diverse agricultural and farming sector, which in many cases value added the raw produce. Dairying was probably the first agricultural industry to vertically integrate from the farm to the plate producing butter from a number of small factories scattered throughout the district. The vegetable processing industry developed in a similar manner and catalysed development of the Defence Forces Food Research Centre. Unfortunately economic factors acting mainly through dictating economies of increasing scale have seen almost all

⁶ The author of this Study wishes to acknowledge the contribution of Robin Thompson to this section of the Study. The usual caveats apply.

of the down stream processing of agricultural produce leave the area. This does not mean however that the agricultural potential has been diminished.

4.23 Advantages of Dorset for agriculture

Although the whole of Dorset has a cool temperate climate there is still a large variation between that offered by the milder coastal areas and that by the higher altitude inland ones. This allows both a diversity of crops and harvest time.

A number of soil types are used for agriculture. These range from the more fertile and structurally sound Ferrosols to the coastal sands and those derived from mudstones and granite. Although these soils have a diversity of natural fertility none have concentrations of elements antagonistic to plant or animal growth. The physical characteristics of these soils also varies but best practice managements are widely known.

Average annual rainfall ranges from 800 – 1500mm. This combined with an undulating topography ensures abundant opportunities for water harvest and storage. Consequently on-farm storages are common with most of the high efficiency sites being already utilised. The Winnaleah irrigation scheme services a number of properties through a piped gravity system. A number of other community based irrigation schemes are currently under investigation and if progressed will be the basis of increasing output of agricultural produce from the region.

The people of Dorset have a high affinity to the land and agriculture and thus are the basis of further developing this sector. The 2001 Census data (ABS, 2001) indicates that over 600 individuals (400 males and 200 females) identify their employment links to the agriculture. Agriculture, forestry and fishing (811 individuals) is Dorset's most significant employment sector (28%) of which agriculture represents approximately 76% of that sector.

This identity with agricultural production spills over into the educational sector where two high school farms serve to provide a basic introduction to formal agricultural education.

4.24 Current production

Pasture based animal production occupies the largest area of land for agricultural pursuits. Outputs from these industries include wool, milk and red meat. Red meat production is based on cattle and sheep for both local and international markets. Pig production is limited to two large indoor units and one outdoor-based system geared to meet demands of the local market.

A diversity of vegetable crops are grown including potatoes, onions, carrots, kabocha, swedes, green beans and parsnips. The potatoes and beans are mainly destined for processing whilst the others are marketed on the local or international fresh markets.

Perennial horticultural crops include hops, essential oils and black currants.

Cereal production is an emerging industry to meet the local demands of the dairy and pig industries and thus reducing the importation of such commodities.

Poppy production has been a significant field crop for the past quarter of a century but is mainly focused on the Ferrosols and area able to be irrigated.

A small area of blueberries and cut flower production is still evident.

4.25 Past production

A much more diverse range of crops were grown in the area in the past but these have ceased due either to reduced market demand or competition from other areas offering greater economies of scale. These include apples, peas, corn, pyrethrum, raspberries and asparagus.

4.26 The Future

The natural resources characteristics of Dorset ensure the region has the potential to grow and develop its agricultural industries. The main physical factor that will drive such development is availability of irrigation water. Economics and marketing will also be significant forces. Dorset, like the whole of Tasmania will struggle to be a significant world force in production of agricultural commodities. The challenge therefore is to use the unique characteristics of the region to produce and market higher valued niche products. This will not be easy but neither will be remaining viable as a small player in a

global commodity market. As a prominent local (Farquhar, 1996)

notes with caution:

In future, the diverse climate, topography and resource base of the Northeast will demand increasing diversity and flexibility in local farming enterprises. The challenge is to marry a culture of conservation with a culture of innovation in production and marketing.

4.27 Forestry in Dorset

The conservation, management and socio-economic impact of forestry are of vital interest to all residents of Dorset. It is at the heart of many ongoing political dilemmas within the region ranging from species protection, plantation forestry, water management and the cost and ownership of road construction and maintenance, to the location and design of the Eco-forestry centre.

However, it is not the intention of this Report to re-visit those issues other than to acknowledge their significance and reiterate that the key to successful regional development opportunities lies in the ability to enhance existing capacity in a sustainable way. Natural resources management is Dorset's comparative advantage over other regions in Tasmania and forestry is and will remain a key component within an integrated approach to sustainable development advocated by the EDG. Overviews of forestry in Dorset and the Northeast can be accessed through the following references: (DNRMS, 2002; Kirkpatrick, 1996; Brown, 1996; Bass Forest Management Plan, 2001-2002.)

Employment in the forestry sector is steady but some uncertainty is attached to manufacturing and the medium to long-term sustainability of the soft-wood resource. Forestry and logging employment stood at

162 persons (ABS, 2001) at Census date. Wood and paper product manufacturing which takes into account the two main wood manufacturing plants – Auspine and French Enterprises – and various saw-milling operations, stood at 279 persons (ABS, 2001). This accounts for 52% of the manufacturing employment in Dorset (ABS, 2001). Security of soft-wood resource, the cost of that resource and the competitiveness of the finished product on the domestic and international wood product market are the keys to the ongoing sustainability of this key economic driver in Dorset.

Opportunities in forestry are best advanced as a Dorset package, in some cases as pilot projects. All opportunities, particularly in relation to the development of hard-wood options in Dorset must be subject to feasibility studies and business plans. The Dorset EDG will carefully assess and seek support from the industry sector to investigate opportunities in:

- advanced kiln drying techniques;
- a merchandising yard for Dorset;
- components sector – furniture manufacturing, a Tasmanian brand ‘IKEA’ high quality, mass produced furniture product ;
- niche marketing opportunities for Dorset forest products through linkages to community forestry pilots and Forest Stewardship Council (FSC) certification, as distinct from the current ISO status.

All these opportunities will requires collaborative approaches to secure economies of scale, marketing development and investment capital.

4.28 Natural Resource Management in Dorset: Comparative Advantages in Regional Development

What is clear in the vast array of regional development literature, covering case specific to comparative studies, is that there is agreement on one approach to ‘successful’ and hence sustainable, regional development policy. Such an approach *must* in the first instance build on the strength of *existing* community *assets*, developing a comparative advantage, rather than wait in a vain hope that the ‘great silver bird’ of traditional ‘cargo cult’ fame will somehow conjure up some ‘solution’ to the communities perceived *needs*.

In the past, regional development policy as a ‘needs based response’ was ‘delivered’ predominantly in the form of sizable buckets of money thrown at projects that often did match up to any feasibility or accountability requirement. This approach certainly ‘delivered’ in terms of short-term political expediency but often promoted false expectations in the long term.

The shift to capacity building and opportunities built on the sound foundation of comparative advantage in policy response in regional development emphasises the timeliness and significance of Dorset’s *Natural Resource Management Strategy*. Not only is it an innovative governance tool for regional development policy in Tasmania – being one of the first initiatives of its kind – it lays the foundation for some *real* and *substantive* opportunities building on Dorset’s ‘best kept secret’ its *natural resources* and its *biodiversity*.

The executive summary of the Dorset *Natural Resource Management Strategy* (DNRMS) emphasises the regional development

opportunities and capacity attached to natural resource management as an economic, social and environmental asset for Dorset:

The overall aim of the DNRMS is to implement planning, promotion and facilitation of natural resource management in the Dorset municipality.

The development of this document has utilised past community consultation by the Dorset community to produce other natural resource management documents such as catchment strategies and sustainable development strategies. Further extensive community consultation has occurred during the development of this Natural Resource Management Strategy (DNRMS, 2002; 12).

The DNRMS focuses on a number of natural resource icons for Dorset (water, soil and land, ecosystem, coastal and marine, culture, recreation and landscape) and then prioritises issues/aspects of each theme for attention and action. Table 9. below outlines those rankings.

Table 9.

Ranking of Issues in Terms of Priority

Dorset Natural Resource Management Strategy (2002)

Issues: Ranking	NRM Icon Theme
1. Water Quality	Water
2. Water Quantity	Water
3. Reserves	Ecosystem
4. Unsustainable Use of Resources	Coastal & Marine
5. Agriculture	Soil & Land
6. Forestry	Soil & Land
7. Competition for Resource Access and Use	Coastal & Marine
8. Repair and Rehabilitation of Degraded Resources	Coastal & Marine
9. Native Flora and Fauna	Ecosystem
10. Erosion	Soil & Land

11. Cultural Heritage	Culture, Recreation & Landscape
12. Weeds	Ecosystem
13. Waste	Ecosystem
14. Fire	Ecosystem
15. Introduced Animals and Nuisance Fauna	Ecosystem
16. Recreation	Culture, Recreation & Landscape
17. Salinity	Soil & Land
18. Landscape and Aesthetics	Culture, Recreation & Landscape
19. Atmosphere	Ecosystem

All these issues are part of, or impact on, the rich fabric that is the *biodiversity* of the Dorset Municipality. Biodiversity – the variety of all living things; the different plants, animals and micro organisms, the genetic information they contain and the ecosystems they form - is an *existing* economic icon for Dorset. As such it is a key driver of community based economic development opportunities for Dorset, particularly those attached to tourism, education, agriculture, forestry and fishing.

The linkages between community economic development and the broader regional development policy will inform the framing of this Economic Opportunity Study and establish the parameters for assessing potential projects of significance for Dorset, including those linked to biodiversity. These linkages need to be established and their implications for the Economic Opportunity Study clearly identified.

One of the economic opportunities developed by the EDG, and one that supports endogenous sustainable development, in this case linked to Dorset’s NRM comparative advantage is the establishment of a Biodiversity Museum or Centre.

4.29 Biodiversity Centre

Background

Successful regional development policy at a community level, starts with identifying clear comparative advantages for the community and building on them, not trying to replicate what exists elsewhere. In Dorset's case, its comparative advantage is natural resources, particularly its biodiversity.

This Report recommends that the EDG, probably by way of a sub-committee explore the potential to establish biodiversity as an icon for Dorset. This may be the establishment of a 'museum' in either a solid, permanent structure, or a 'virtual' museum to act as a 'hub' for the co-ordination of interest, tourism initiatives, a biodiversity centre.

4.30 Introduction

The Dorset Municipality is a rich bio-diversity resource. The Dorset Natural Resource Management Strategy, 2002 (DNRMS) supports this assertion and there is sufficient evidence within the DNRMS to suggest that bio-diversity is one of the region's strengths and hence should be one of the icons for eco-tourism, research and education opportunities.

4.31 Ideas for the Project

Outside of the World Heritage areas of Tasmania, Dorset has the most significant bio-diversity in Tasmania. This is a key economic, social and environmental asset that should be at the heart of a range of potential sustainable development opportunities for the region. Bio-diversity - the variety of all living things; the different plants, animals

and micro organisms, the genetic information they contain and the ecosystems they form - lies at the centre of a number of key policy initiatives at all levels of government in Australia.

The maintenance and protection of bio-diversity is the key driver for policy initiatives to promote a sustainable Australia. It is also a buzzword for the affluent international and domestic tourist - and an increasingly significant register on the education curriculum, especially for younger Australians. All these attributes make bio-diversity a springboard for a range of opportunities for regions like Dorset that can embrace the idea as their own. Dorset has already paved the way with its Sustainable Development Strategy (1996) and its Natural Resource Management Strategy (2002).

Dorset must be the first region in Tasmanian to specifically link bio-diversity and its industry, tourism links to the municipality. Bio-diversity should be at the heart of Dorset's marketing formulae and strategy, and it's 'branding'.

4.32 Why a Museum or a Centre?

It might seem like an oxymoron to equate bio-diversity (nature) with bricks and mortar but much can flow from a physical resource such as museum exhibits, collections, research, education, field trips, public programs and publications, interactive media.

But, this would also be a 'museum' with a difference in that it would be the 'hub' for a range of opportunities outside of the bricks and mortar. This is where the economic opportunities flow - tours,

research, educational groups etc. The key would be to make the museum the focus for all of these linked opportunities and hence develop an integrated approach to the concept.

4.33 What might the Museum or Centre do?

The museum would be the centre-piece for a range of other economic opportunities. Most significantly it would become the centre-piece for the promotion of Dorset as the bio-diversity icon for Tasmania. Dorset would rightly claim this icon as its own and would argue that in terms of accessibility (vis-à-vis World Heritage areas) it is best placed to deliver to the increasing number of people - particularly international visitors - who want to engage directly with the physical environment and understand it.

The museum would be the 'hub' for a range of existing tour operators and new operators to expand and develop existing and new enterprises such as:

- in-house programs;
- out reach programs;
- individual, family and group tours;
- special group (education) tours;
- seasonal programs that highlight particular and unique seasonal bio-diversity aspects;
- visiting exhibitions from the Australia Museum Bio-diversity centre and the Tasmanian Museums;
- develop a bio-diversity library and an extensive and up-to-date, state of the art interactive new media component;

- identify and develop research opportunities with industry partners such as University of Tasmania and forestry industry and Forestry Tasmania (relocate and reinvigorate planning and management training that was envisaged for Hollybank);
- develop an active membership and volunteer base with access to a newsletter produced by the museum; link into the existing ecoforestry centre with the view to developing a ‘model forest’ that can highlight the bio-diversity components of native/regrowth and plantation forestry;
- research bio-prospecting opportunities in Dorset;
- develop a bio-diversity ‘Air Walk’ in the Mt Victoria region;
- establish Mt Victoria as a physical bio-diversity icon rather than ‘just’ a reserve;
- develop a range on ‘live’ experiences for visitors – ‘The Secret Life of the Forests’;
- Environmental Education camps;
- promote and develop tourist operations and research links - the dune and wetland icon areas in Dorset;
- organise tours run by biologists;
- take canoe trips down local rivers;
- bring each town in Dorset into a bio-diversity tour with specific ‘icons’ developed in each town with walks, forests, rivers, etc;
- promote the museum and Dorset as the ideal ‘outdoor classroom’ and redevelop the Mt William facilities.

4.34 Why do it?

Dorset needs an icon to attract people. What better than an existing natural advantage developed into a strategic icon for promoting and

developing the protection of bio-diversity as central to the region's thinking about planning, priority-setting, decision making and the actions of its community. Surely this was what was envisaged in the 1996 Sustainable Development Strategy?

Why not turn an existing asset into an opportunity and provide employment in the pursuit of protecting our valuable natural heritage? The Dorset Bio-diversity Museum/Centre would become the 'household' name - the obvious choice - when the question of where to go arises in relation to environmental, outdoor, natural history or life science education.

The Museum would have the considerable strategic advantage as a 'hub' around which new and existing operators could focus their activities and proposals. It would become a 'one-stop-shop' for the development and promotion of economic opportunities that might arise from this endogenous enterprise, the best type of community economic development. It might drive interest in eco-tourism investment.

4.35 Bio-Diversity: the Evidence?

In addition to the excellent evidence provided in the Dorset Natural Resource Management Strategy (2002), in 1996, the Queen Victoria Museum published 'Biogeography of northeast Tasmania'. This publication contains various appreciations of the north-east's biodiversity. All contributors to this publication are recognised experts in their field.

4.36 Strategy for Feasibility Study

Initially the EDG would seek feedback from potential stakeholders - museum personnel; university (staff, schools and faculties); government agencies (Tourism and DPIWE).

Existing international examples are plentiful but they tend to be natural history museums rather than biodiversity museums but there are one or two dedicated to bio-diversity. What do they do and how do they fund their activities? What might it look like from a design point of view?

What are the 'new media' aspects of the 'virtual' side of the museum as a web-based, interactive site? What is possible, what is new and how expensive is it?

4.37 Biodiversity Projects: Dune Eco-Tourism & Marine Centre

An example of the 'hub' capacity of biodiversity as an icon for Dorset is the potential for dune-based eco-tourism. This potential opportunity is inspired by La Dune de Bouctouche eco centre in New Brunswick, Canada, sponsored by New Brunswick's largest corporation, the Irving Group. See <http://www.irvingecocentre.com/> for details.

At La Dune de Bouctouche an icon eco-tourism site for New Brunswick has been established through collaborative partnerships between the private sector, government and university to link sustainable development, conservation, tourism, research and education at one site. The features of this site are:

- its 12 kilometers of boardwalk;

- an elaborate interpretation centre;
- education centre catering for 50 students at a time;
- its restrictive access during summer – due to numbers of visitors;
- its research component – the site conducts research projects on endangered bird (migratory) species; beach profile monitoring; geomorphology studies (erosion and preventative strategies) with links to a local university campus.

Dorset has the finest variety of dune systems in Tasmania, an endogenous biodiversity centrepiece. A collaborative project between Dorset EDG, Dorset Council, Tourism Tasmania and DPIWE and other stakeholders including researchers from the University of Tasmania should investigate the possibilities of linking a range of current activities around an appropriate dune system into an eco-tourism icon. Often, what we take for granted is highly valued by others.

Another eco-tourism linkage to biodiversity that sits well with Dorset's strengths is an aquarium or marine centre. The EDG should investigate the feasibility of such a proposal for an existing tourism centre such as Bridport. An aquarium or marine centre proposal could be the additional ingredient needed to resurrect the viability of the 'old pier reconstruction project' at Bridport. The feasibility study into the Bridport Pier proposal (Pitt & Sherry, 2001, 2) made two salient conclusions in relation to an aquarium or marine centre proposal:

A pier, as a structure on its own, is unlikely to provide real economic and social benefits to the township of Bridport and the Northeast. A pier that is integrally linked to associated ventures that provide long term committed financial support, may be able to add value to the township of Bridport and the North East...

To ensure that the pier or any proposed development within the township is integrally linked, economically viable, and is in line with the strategic intent of the town, it is recommended that developments should be progressed within the guidelines of a Strategic Tourism Plan.

Opportunities for sustainable development as ideas are bountiful. One of the crucial linkages from ideas to reality in peripheral regional areas such as Dorset is the extent to which infrastructure facilitation are linked to strategic sustainable development planning. This is often a contentious linkage due to economy of scale deficits and lack of financial capacity and political commitment. These difficulties should undermine the critical significance of infrastructure development for peripheral regions and their capacity to pursue economic opportunities in a sustainable manner.

4.38 Economic Opportunities and Infrastructure Development?

There is a general consensus that one of the most important tasks of government is to create and upgrade the resources of the local area and to exploit their potential benefits in the most efficient manner (Coombes *et al.*, 1992; Blakely, 1994). This is particularly true of infrastructure development and maintenance such as road and transport options; water management; energy supplies; waste management and telecommunications. All are significant issues in Dorset. In a community with such crucial socio-economic linkages to agriculture, forestry and fishing, infrastructure provision and maintenance in water management, roads and transport, energy supplies and telecommunications lies at the heart of any potential economic opportunities.

In small sub-national peripheral economies such as Tasmania, infrastructure provision is largely the domain of government. Traditionally in Tasmania, the competition for scarce public investment infrastructure priorities is not only intense it is often determined by political considerations largely driven by parochial preferences rather than planning outcomes. In this context, Dorset has not fared well with a 30-year battle to improve road access finally being addressed with road funding commitments secured from both Commonwealth and State governments albeit over the medium to long term.

Guild argues that despite some earlier theoretical concerns about the relationship between public investment in infrastructure and regional development his research demonstrates a number of crucial observations. First, the developmental impacts of infrastructure investment are modest but positive on all aspects of development. The research literature now supports the view that returns on infrastructure investment range from between \$0.10-0.30 (10-30 cents in the dollar) invested. Second, there needs to be a sufficient level of productive activity to take advantage of the complementary relationships and no amount of investment in core infrastructure is capable of overcoming disadvantaged locations. Third, since the relationship between investment and growth is interdependent, development pressures may be efficient investment triggers (Guild, 2002).

The implication for Dorset is clear: planning infrastructure investments to advance regional development goals is crucial and by implication they should be based around existing strengths rather than

unrealistic hopes in the first instance. Guild's analysis raises a pertinent 'chicken and the egg' dilemma for economic opportunities and infrastructure support in Dorset, particularly in relation to prioritizing projects for increasingly scarce funds. This is best illustrated by the present focus on improving transport access and hence general economic efficiency and productive costs vis-à-vis the perceived need to assist the agricultural heart land through the development of water management strategies. Securing a need or roads to no-where? How or should Dorset prioritise these infrastructure projects?

4.39 Transport Infrastructure in Dorset

After thirty years of indecision and neglect, the last two years has at least seem some activity and financial commitment road infrastructure in Dorset. Efficient and effective corridor access to and from the North East to markets and export terminals – both air and sea – have been a long term priority for the community and its local government representatives, not always matched by state and federal governments.

In May 2002, the *North East Tasmania Access Study (NETAS)* was released. After extensive community consultation the Report recognized that whilst its initial purpose was to focus on improvements to the Lilydale/Golconda corridor and establish it as the primary freight and passenger route to the North East it needed to address a broader range of options and issues into the future. These include the Bridport Main Road, Piper Brook Road, Prossers Road and possibly a new Boomer Hills alignment. Under the federal/state funding commitment of \$20million, the Lilydale/Golconda corridor

and the Bridport Main Road will be the priority areas. It is anticipated that the adoption of the Lilydale/Golconda corridor as the regional priority route into the North East will assist regional development together with tourism access and resident safety (NETAS, 2002: 1-5). This prioritising whilst not fully supported by the community – some suggest that the Tasman Highway could be ‘straightened’ and should remain the key access route – must now be taken into account in the development of tourism strategies in Dorset, particularly any integrated wine route, accommodation and icon tourism development.

What remains unresolved, and is hence an opportunity, is rail access into the region. The demise and destruction of the rail system into Dorset is still a contentious issue with many residents. The rail system is still used by both existing soft wood producers in Scottsdale but there is little evidence of additional freight usage. Tourist trains now run at regular times during the year from Launceston to Scottsdale with some stops on the way. Rail freight options should be further investigated by EDG and tourism strategies should look to enhance existing access with a more integrated tourism package at the Scottsdale end that incorporates the proposed ‘harvest trail’ option and existing tourism icons such as the Bridstowe Lavender farm. Whilst re-establishing the rail track through to Herrick should be investigated, the potential of using the existing rail corridor embankment for tourism access – such as a walking/cycle trail - appears to hold enormous potential especially in enhancing access to Dorset’s biodiversity.

4.40 Water Infrastructure Development

In Dorset, economic opportunity and water are intimately linked. Expansion of existing agricultural production and the development of new, innovative agricultural products together with the maintenance of Dorset's rich biodiversity rely on water and water management.

Fortunately in Dorset this is well recognized, at least by the residents. Agricultural production has been greatly enhanced and expanded at both Winnaleah and Rushy's Lagoon with the advent of large-scale irrigation. Dorset's *Natural Resource Management Strategy* highlights the critical importance of water to ecologically sustainable development in the region. Community consultation and discussion with regard to water management in Dorset is both well advanced and formally organised.

In Dorset, water is the heart-beat of the community. Much of what is proposed and identified as an economic opportunity in this Report is dependent directly or indirectly on water access, management and maintenance of water flows. One scheme appears critical to economic opportunities in Dorset, the Waterhouse Community Irrigation Scheme.

4.41 Waterhouse Community Irrigation Scheme⁷

Agricultural activities are key economic contributors in north-eastern Tasmania. Family based and corporate farm industry operations represent along with forest-based industries the predominant business and employment sector.

⁷ The author of this Study wishes to acknowledge the assistance of Nic Van Den Bosch in the preparation of this section of the Study. The usual caveats apply.

Despite the acknowledged importance of primary industry, agricultural production in Dorset has serious marketing and earning impediments caused through low control of quantity and quality standards. This is principally due to natural seasonal variations and farm operations that are undertaken on marginal dryland soils without or with only limited irrigation availability and utilisation.

It is imperative for the north-east and the wider Tasmanian agricultural industry that operational focus and structural change be undertaken where development opportunities exist if it is to remain viable and become more trade competitive. It is also essential that quality investigations be undertaken to better plan development opportunities for industry growth.

Estimated productive land presently available in north-east Tasmanian regions from the east coast north of St Helens and westwards to Golconda total over 250,000 hectares⁸ with potential water storage and supply to those regions totalling approximately 200,000ML.

It is this untapped production potential that provides outstanding industry and jobs growth opportunity into the future.

The following water storage and supply proposals outline schemes that are at various stages of investigation and development.

The Waterhouse Community Irrigation Scheme (the most advanced) has great potential to stimulate the economy of the region through a major increase in agricultural production. This will be achieved by

⁸ The land capability is conservatively assessed and based on DPIWE provided land capability data adjusted for an expanded area, modern irrigation equipment and operational practice for mixed farm production enterprise.

converting large areas of dry land farms on the coastal Waterhouse area (see Map 1.) into intensive irrigation enterprises.

The potential water supply was first brought to public attention in 1998 when identified by 'The Summer Rains Project'. Summer Rains, a research concept development undertaking, has identified many sites in Tasmania with potential to efficiently store water within practical distances of farm land.

A comprehensive feasibility study costing over \$500,000 of public funds plus further private investment has recently been completed for the initial development sections of the Waterhouse irrigation scheme. Results confirm the great potential of the project.

Potential Waterhouse Irrigable Land Area

Located east of Bridport, the potential irrigation area extends from the Great Forester River eastwards of the Ringarooma River. The potential area of land that could access water from the fully developed scheme has been identified as 27,905 ha.

Project Description

The Waterhouse irrigation scheme development is substantial in terms of available land area and cropping potential. The scheme is designed to be developed in stages and is based on a variety of water storage and supply options.

The feasibility study has focused on 'Stage 1/' and 'Stage 2/' and is limited to the water storage and supply potentials of the Boobyalla River (Stage 1/) and Tomahawk River (Stage 2/) water storage and supply capacities. The development of these two stages is presently estimated for completion within five years.

The scheme would store high river flows from the Boobyalla and Tomahawk Rivers that predominantly occur in winter, and release and distribute this water for irrigation during the months of October-March to irrigators in the Waterhouse area.

Currently irrigation in the area is mostly limited to the use of river flows by landowners with direct access to streams. Water is needed at the time of year when it is least available. The proposed development will increase the supply of irrigation water by 23,500 ML per annum, nine years in ten, allowing for the recommended environmental flow regime.

The irrigation area for Stage 1/ and Stage 2/ is located predominantly west of the Tomahawk River and the area of land available for development in that region is greater than short-term water supply ability.

Distribution of the water would be via canals and pipes. A 15km canal would transfer water from the Boobyalla dam westwards to the Tomahawk River and an 8km canal would transfer water from the Tomahawk River westwards to Sheepwash Creek. Most of the distribution is gravity fed but there would be some pumping to supply the western most farms and individual landowners would use pumps on their properties.

Existing Farms to be Supplied by the Scheme

Thirty-nine (39) landholders would have access to the Boobyalla and Tomahawk River based scheme, some owning more than one property. The properties are shown in Map 1.

Currently most farmers in the district have no irrigation and rely on natural rainfall. This normally results in very unreliable production during the months from November to April each year. This limits available options in production to mainly sheep and beef cattle and increases the difficulty in developing reliable businesses. It also requires management of large land areas by each employee.

With availability of irrigation the whole ethos of farm operations will change, producing more certainty in returns, less stress for the farmers and better return on investment as shown below.

Opportunities

There are many basic advantages the Waterhouse district has or will have when the irrigation scheme is in operation.

- Water available at a commercially attractive price projected to be approximately \$50 per megalitre.
- Coastal plain farm topography suited to efficient economies of scale and farm layout choices not restricted as in other districts.
- Land prices lower than other districts where water is available.
- Mild winter climate resulting in fewer frosts when compared to inland areas.



Map 1.

The ability to transform the dry land farms into highly productive irrigated pasture is proven in similar conditions east of the proposed area at Rushy Lagoon and Icena. These properties have similar climate and land conditions.

Water Price

The projected water price from the Waterhouse Irrigation Scheme is approximately \$50 per megalitre. This compares favourably with other schemes in Tasmania as follows –

Winnaleah	55.5 \$ per megalitre
Coal River	86 – 126 \$ per megalitre
SE Stage 2	176 \$ per megalitre

Farm Types

Currently the greatest demand for product on a large scale is dairy production. In fact dairy processor, Bonlac, is looking to take all new production possible from the area to increase their processing efficiency with more throughput. The Waterhouse climate also makes winter milk production an option. Rotational cropping as a part of a dairy operation is a practical option with the same irrigation equipment being used thus reducing capital expenditure.

Potato growing is an attractive option at Waterhouse. For example, the 2003 potato yield at Waterhouse property, Thorpe, under irrigation was greater than the state average - 52.5 tonnes /ha v 50 tonnes /ha. Simplot who currently contract 15,000 tonnes are hoping to increase their intake from the area by a further 10,000 tonnes from Waterhouse. This equates to \$2.38m at farm gate

Fat lambs are also an attractive option currently with a shortage in the market.

Poppies are a major industry in Tasmania and have been grown successfully at Waterhouse where irrigation was available. Poppy processors are not currently looking for new producers, due to increases in current international suppliers. However, when this changes they will be looking to Waterhouse as a supply area.

Sugar beet trials have just commenced at Waterhouse as the first step in CSR's development of a beet based ethanol industry for the district. If trials are successful this will require a minimum of 6,000 ha of sugar beet annually for viable plant.

Enterprise Viability

The return on investment from dry land grazing at Waterhouse is currently 2.3% – 5%. The table below shows the returns from dairying

Enterprise	Return on Capital	Product Price	Water Price
Dairy	11.8%	\$6.5/kg milk fat	\$60/ML
Dairy	6.9%	\$5.5/kg milk fat	\$80/ML

Lance Davey - Davey & Maynard Agricultural Consulting

At a water price of \$60/ ML, and interest rate of 10% an investment in a pivot irrigator would be repaid in 3 years.

Agronomy

There is considerable historic research and a knowledge database of the district's soil character and production capacities. More recent research has included the impacts of irrigated production intensification and agronomical considerations and conclusions such as:

- Salinity - EM survey shows no problems
- Fertility - no problems
- No toxic elements
- Wind Erosion - manageable
- Water Erosion – nil
- Soil texture suitable for winter harvest
- Good irrigation management skills available

No agronomical flaws exist for production on proposed farms.

Employment

For efficient dairy operations, the employment required is one person per 150 cows.

There is a ‘downstream multiplier’ employment effect of 3 or 4 to one.

For dairy to be the major development from the scheme this would result in 129 to 172 extra employees.

If ethanol trials were successful a processing plant would need to be established in the Dorset district. This would employ 20 professional staff plus process people.

Value of Waterhouse Scheme to Dorset

Assuming that irrigated production was all dairy, the farm gate annual value would conservatively be worth about \$13 million if 23,500ml of water were used for pasture. If rotational cropping were incorporated to meet the current potato demand this return would be significantly higher.

The value in production per megalitre of water used, has recently been estimated to be worth in the vicinity of \$1,300 in the Dorset area.⁹

Schemes at Concept and Investigation Stage

Key irrigation schemes presently under various stages of investigation in Dorset include the Ringarooma Catchment, St Patricks Project, Headquarters Road (Great Forester River) and Jetsonville proposals.

The Ringarooma and St Patricks River development proposals presently mooted will add significantly to water storage and consumer use via the Ringarooma River and linked supply areas in the eastern Dorset region and St Patricks augmentation into the Great Forester/Brid River and intermediate streams in western Dorset zones.

⁹ Recent research conducted by Armstrong Agricultural Services and National Strategic Services. (Ref: Great Forester Catchment, Irrigation and Water Reliability Project).

The Ringarooma and Great Forester options will also contribute to the Waterhouse irrigation scheme. Expansion potential may then utilise more of the 27,905 ha of available land identified in the Waterhouse scheme feasibility study report. Future Waterhouse scheme water demand will reduce all consumer water costs supplied from the Ringarooma River catchment and the Great Forester and Brid River augmentation plans due to the extra volume demands expected.

Maps of the above reservoirs can be viewed at -

<http://www.summerrains.com.au/dorsetwater/>

Irrigable Land Areas¹⁰

Ringarooma: Storage options vary from 10,000 ML to 50,000ML and will be developed to satisfy demonstrated demand. There are 4,500 hectares of suitable land available for agricultural production in the middle to upper reaches of the Ringarooma catchment. In the lower catchment there are over 15,000 hectares available, not including the area calculated within the Waterhouse scheme.

St Patricks River: A scheme designed to supply Launceston and Dorset summer season demands via St Patricks River to Launceston and a catchment transfer into the Great Forester River, Brid River and intermediate Scottsdale area district stream systems.

Storage and supply options vary with early catchment transfers projected to be in the order of 15,000ML in addition to water supply augmentation for Launceston City.

Land area available within supply range exceeds 20,000 hectares.

¹⁰ Water requirement for the extensive land areas available for all schemes proposed exceed water storage and supply capacities should full irrigation be undertaken within water supply zones.

Jetsonville: The Jetsonville development is a smaller irrigation proposal utilising Coxes Creek and Scottsdale's town grey water. The proposal, based on winter flows, plans to store 240ML for transfer to approximately eleven farms for high value cropping of 500 ha. The scheme would with the development of the St Patricks Project have further water supplementation to increase the cropping area and irrigation capability.

Headquarters Road: The Headquarters Road proposal is a relatively smaller storage that will (subject to investigation) store water volumes from 300 to over 3,000ML. The location and storage capacity provides for dry season environmental flow certainty and provides limited irrigation.

Land Availability: There is a greater area of suitable agricultural land available in the district than can be supplied by the volume of water from all of the proposals described here.

Additional Medium to Long Term Regional Water Storage Options

'The Summer Rains Project' in addition to those described have identified and specified substantial additional water storage and supply potentials.

These include: (from east to west) Ansons, Great Musselroe, Wyniford, St Patricks and Brid River systems.

4.42 Wind Farm Development: Musselroe Wind Farm

Hydro Tasmania's Musselroe Wind Farm Project at Cape Portland is one of a series of wind farm projects in Tasmania supported by state and federal government's commitment to renewable energy strategies.

The proponents suggest (Hydro Tasmania, 2003; 245) that the economic and employment benefits of this project are:

- Investment of \$270 million in capital expenditure (up to \$120 million of which is likely to be spent in Tasmania) and in order of \$330 million in total over the 20 year life of the Project;
- 150 construction jobs;
- \$40 million injected into the regional economy of Dorset over the 20 year life of the project and \$4 million during construction;
- 47% of all capital expenditure in Tasmania amounting to over \$120 million;
- potentially 44 jobs in turbine power construction; and
- 70 jobs in manufacturing nacelles.

Apart from the direct economic benefits to Dorset, the Mussleroe Wind Farm Project provides additional opportunities, especially if Hydro Tasmania makes a commitment to expanding its original project. Mussleroe's close proximity to the north-east coast is well positioned to enhance Dorset's tourism opportunities. Wind farms attract significant tourism interest. The EDG should pursue the opportunities to link the project to an interpretation/education centre for renewable energy, to highlight Tasmania's key role in this significant energy sector. This interpretation/education centre could provide another link into the already expanding eco-tourism

opportunities in north-east Tasmania from Mt William national park through to the Bay of Fires. It would also enhance the educational opportunities, particularly for students already travelling to the region for a variety of recreational experiences.

4.43 Tourism in Dorset¹¹

Tourism is often seen as a panacea for peripheral regional economies, like Dorset. Nothing could be further from the truth. Tourism is hard work.

As an opportunity for Dorset the great advantage the region has is that in 2003 tourism remains in an embryonic phase. Dorset's tourism strategy should be endogenous, realistic and well planned, not driven by strategies that may or may not have the interests of Dorset at heart, and rely too heavily on some inflated notion that a 'trickle down effect' is all that peripheral regions can expect 'in the big picture'. Waiting for the 'great silver bird' of the tourism bonanza driven by distant promises and elaborate visions would be entirely foolish. Dorset must set its own tourism path and demand attention to its needs and opportunities, not wait to be told *how* the region fits into other plans.

Tourism is fraught with difficulties for peripheral regional economies. CEDM can address some of those issues but not all. At best CEDM can provide a 'hub' for networking, co-operation, collaboration, marketing and advocacy. This should be the role of Dorset EDG in the emerging tourism sector. In doing so CEDM hope to ameliorate the

¹¹ The author of this Study would like to acknowledge the assistance of Judy Roberts in the preparation of this section of the Study. The usual caveats apply.

harsh realities of isolation, poor communication and transport infrastructure, a lack of 'iconic' sites, fierce competition within the tourism industry and a range of other issues that undermine the capacity of tourism to make a mark in regional economies.

Tourism: A Reality Check?

One of the tangible benefits a successful CEDM can promote within a peripheral region in relation to tourism is a reality check!

Much is misunderstood about the relationship between tourism and sustainable economic opportunities. Tourism *is not* an entity unto itself, even if it is promoted as such. Projects shouldn't be designed *for* tourism. They should be promoted and developed for their intrinsic opportunity and comparative advantage within a region. If they are successful it is because they emerge from an appropriate, and hence, sustainable base. From this base, tourism will follow, but not the other way round. A big potato in Scottsdale is unlikely to be a tourist attraction (particularly now) but a bio-diversity centre (with a big burrowing crayfish), properly developed and promoted is likely to attract the staff, students, researchers, educators, media interest and hence visitors. An appropriate opportunity can thus *become* a tourism icon. Too often, tourism projects flounder in regional economies because this cause and effect linkage is not well understood. If tourism is the *goal* viability often becomes the issue. Tourism should not be the underlying goal of a regional economy. It follows that it *must* not be the panacea.

Fortunately in Dorset, this lesson has been played out at the most successful tourism icon, the Bridestowe Estate Lavender farm. If the product is there, the tourism will flow.

Dorset: Tourism Data

Tourism data collection is notoriously unreliable. Tourism Tasmania's *Visitor Survey* is no exception however it does have a methodological consistency that makes data analysis at best a useful indicator. Table 10 provides indicative data for Dorset's two main urban centres: Scottsdale and Bridport. It compares data from the 2000-2001 and 2001-2002 *Visitor Survey*.

Table 10: Comparative Visitor Survey Data – All Visitors: Scottsdale and Bridport

	Passed Through; didn't stop	Stopped/looked around	Stayed overnight	Total Visitors	% Visitors	Nights	% of Tas Visitor Nights	Average Stay (nights)
Scottsdale 2000-1	45 200	29 100	4 700	79 000	14.9	10 400	0.2	2.2
Scottsdale 2001-2	39 900	45 600	7 000	92 400	17.8	11 600	0.2	1.7
Change (+ or -) %	-5 300	+16 500 (57%)	+2 300 (49%)	+13 400 (17%)	+2.9%	+1200	same	-0.5
Bridport 2000-1	18 000	11 200	8 100	37 300	7.0	13 100	0.3	1.6
Bridport 2001-2	16 500	18 500	10 300	45 300	8.7	20 600	0.4	2.0
Change (+ or -) %	-1 500	+7 300 (65%)	+2 200 (27%)	+8 000 (21%)	+1.7%	+7500	+0.1	+0.4

Source: Tasmanian Visitor Survey 2000-1 & 2001-2, Tourism Tasmania, Dec 2002.

As to be expected, these figures demonstrate the positive impact that renewed confidence in the tourism sector in Tasmania can have, aided by the new ferry access and shifts towards domestic tourism by Australian holiday-makers. However, the key urban centres of

Scottsdale and Bridport remain peripheral to visitors going somewhere else, largely to the East Coast or from the East Coast to Launceston. Sheffield, another town on the road to somewhere else – Cradle Mountain – by comparison has 2,100 more people stay overnight than Scottsdale. The role of the Eco Forestry centre as a tourism ‘hub’ – linked to bio-diversity- cannot be underestimated as Dorset plans its future tourism strategy.

Planning for Tourism in Dorset

The Dorset Tourism Board was formed as a result of a Dorset Council initiated tourism forum held at Bridport in December, 2000. The Dorset Council and the Federal government funded a tourism officer position. A nine-member board, including two Councillors was selected by Council. The board first met in June 2001 and a major workshop to progress a strategic plan was held in September. By November, 2001, a strategic plan had been developed and endorsed by the board. The strategic plan embraced the strategic objectives of *Tourism 21's* ‘conversion challenge’. These included:

- Know your customer, their holiday needs and desires;
- Create a holiday experience to match our customer needs;
- Connect with and convert customers to visit Dorset now;
- Satisfy our customers with exceptional holiday experiences;
- Commitment to Brand Tasmania, partnerships and performance.

Over the next two years the working relationships between Council and Tourism Board deteriorated to the point where most of the board

members resigned. This situation jeopardized the long-term future of the Tourism Officer.

In 2003, the Dorset Tourism Board was reformed after a number of community meetings endorsed the need for a *voice* to speak for tourism development in the region. A twelve-member board was appointed – two members drawn from each of the community ‘hubs’ identified in the draft ‘North East Touring Route Strategy’. New board members are active and passionate representatives of their communities. In addition the board has a TVIN volunteer representative, a Councillor and a forestry representative. The new board reviewed the 2001 five year strategic plan and focused on four areas within that plan for development over the next 12 months. These include:

- Product development – supporting existing community initiatives and advancing specific projects, such as the Biodiversity Centre and Chinese History Trail;
- Communication – strengthening existing links and building broader community awareness of tourism benefits;
- Promotion and Marketing of Dorset – looking for innovative ideas to promote Dorset;
- Funding – developing a funding base driven by membership from tourism industry to demonstrate commitment to initiatives.

The board anticipates a strong relationship with the Dorset EDG in pursuing a range of tourism opportunities that flow from the EDG strategic plan and the Economic Opportunities Study. These opportunities include:

- The Biodiversity centre;
- Eco tourism at Mt Victoria and associated projects;
- Marine centre and an aquarium incorporating pier redevelopment at Bridport;
- Dune eco-tourism research education centre;
- Chinese Heritage trail;
- Development of the Derby Tin Mine Heritage;
- Water charters from Bridport to Waterhouse and surrounds;
- Harvest trial linkage to rail tours;
- Hot air ballooning in the north east;
- A regular cultural festival – ‘TSO at the Sidling’;
- Tourism collaboration with Barnboughle Dune Golf Links development;
- Walking trails on existing rail track embankment;
- Recreational activities – three-day horse event; motocross event; three-day teams triathlon; mountain bike cycle tour; shooting championships.

As with all opportunities – economic, social, environmental – in small peripheral regions it is often necessary to ‘look beyond the square’ in terms of project development and incorporate *newer* approaches to sustainable development, such as collaboration.

4.44 Collaboration Opportunities in Peripheral Regions

As well as focusing on quantitative data that provides a *real* picture of the *economic climate* of Dorset, asset mapping provides *opportunities* to explore potential *collaboration* within industry sectors that have the capacity to overcome the ‘economies of scale deficits’ that undermine

community economic development. This collaboration opportunity should be pursued by the EDG within its long-term strategic plan.

Roberts (2002) outlines a range of opportunities that can emerge in smaller regions if the concept of *collaboration* is pursued. Indeed he argues that collaboration is an imperative for regional strategies particularly those that may embrace notions of industrial clusters. Whilst Dorset's sub-regional status limits capacity the extent to which *collaborative* arrangements between productive partners emerge, the impact on existing costs is potentially significant enough to demonstrate a clear advantage in pursuing such arrangements.

Roberts (2002:3) uses the literature that informs this approach to refer to three concepts that drive this *collaborative* opportunity: *white spaces, stretching* and *leverage*:

White spaces are business, research and investment opportunities that emerge in the areas between or in the overlapping of existing core business activities and competencies of regional firms and industries. The stretching, leveraging, redeployment and recombining of core competencies, strategic infrastructure and endowed capital leads to the creation of white space opportunities.

Roberts (2002:3) goes on to argue that:

If regional firms and businesses can be encouraged to stretch and leverage resources through inter- and intra-firm and business collaboration, it is possible to create a rich and fertile area for innovation and the subsequent development of new business opportunities.

This approach emphasises the same components of success relevant to community economic development models: networking, information sharing, partnerships and alliances to reduce externality costs and

increasing economies of scale by getting local businesses to work together.

White spaces can be high-risk areas but they have the advantage of being relatively free of competition and offer unique opportunities for the development of new niche businesses and industries before anyone else does (Roberts, 2002:4).

So, where might the *white spaces* in Dorset emerge?

4.45 *White Spaces* in Dorset: Collaborative Economic Opportunities

Collaborative frameworks are present but they tend to be underdeveloped. The obvious opportunities are in the area of education and tourism; tourism and agriculture; forestry/education/tourism. *White spaces* may be found for collaborative arrangements in wood processing, fisheries, aquaculture and agriculture. This will especially apply to *new* innovative arrangements that will *require* collaborative frameworks to succeed. New agriculture niche market products might find this approach attractive and life sustaining.

Roberts gives the example of the New Zealand Berry Network as a successful inter-regional collaboration where growers from different regions producing blackberries, blueberries, raspberries and loganberries developed a network to market and sell these products to international markets. By sharing regional resources to overcome weakness in local networks and infrastructure this has developed into a very successful national industry (Roberts, 2002:14).

Can we speculate on a range of collaborative opportunities in Dorset.

The following are worthy of further attention from the EDG:

- The establishment of the first, Tasmanian brand, large scale fine furniture manufacturing plant (Tasmania's IKEA) in Dorset will require this collaborative approach to be successful.
- Convincing governments at all levels to trial a form of 'community forestry' in Dorset, not only as an attempt to ameliorate political conflict in the forestry industry but to attract widespread interest in Dorset, especially in relation to forestry practices and management but broader resource management and governance issues will require a *collaborative approach* to sell the initiative and the opportunities that attach themselves to such a project.
- The establishment and promotion of Dorset's farm harvest trail will require collaborative approaches and a coordinating 'hub'.
- The proposed Dorset Biodiversity Museum will exemplify why *white space* opportunities require collaborative approaches to turn them from rhetoric into reality, driven by the established networks linking Dorset's comparative advantage to a series of showcase tourism ventures and educational research facilities.
- How can a collaborative approach to *white space* innovative initiatives such as the proposed Barnboughe Dune Golf Course enhance a range of flow on economic opportunities?

Extending the range of vision attached to a proposal whilst enhancing the original self-interest often has the effect of developing a sustainable buffer around a project, especially in its infancy.

Another pertinent reason for exploring collaborative opportunities is that they address a real *need* for small sub-regions developing economic opportunities. Resources are often so stretched to the limit that there is little time left for anything other than product development. Crucial issues such as management training, marketing, information sharing and coordination, collaborative technology research, human resource development, resource sharing and equipment pooling are often left to the ultimate detriment of the project.

These potential limitations can be effectively met through *institutional design*. By developing effective linkages between the networks or co-operatives to an institutional design, such as the EDG *white space* opportunities can be pursued with limitations placed on the risk of the enterprise falling over through lack of support in key areas outside of the core business activity. It is here that the EDG can play a crucial facilitation, advocacy and network development role.

To reinforce, by repeating a persistent theme in this Study: *how* communities organise for community economic development is just as important as to *why* they need to in the first instance.

5. Dorset Community Economic Development Group and CEDM

5.1 Introduction

Being proactive and preventative places even greater emphasis on institutional design. *How* communities are organised is just as important as the substance of their engagement with CEDM.

This is particularly important given that the policy prescriptions, particularly in Australia and Canada indicate that governments are deliberately looking outside the existing tiers of government for a different form of institutional design that can demonstrate a legitimate claim to community representation and empowerment. CEDM in its various forms meets these political needs.

Successful CEDM are even as bold as to implement that strategic plan, through the generation of annual plans that identify *priorities, activities* and *expected results*, thus addressing the crucial issue of *transparency*. It is incumbent on the EDG to develop and initial 12 month strategic plan and then develop a medium 3-5 year plan.

CEDM that are perceptive keep the initial benchmarks low enough to be significant, but crucially achievable, within the first twelve months. This strategy keeps everyone onside and energised, not demoralised and suffering burnout.

Successful CEDM have the courage and the sense of accountability to actively embrace monitoring and review processes on an ongoing basis and crucially detail the indicators of success. Collectively, this is often a tall order for regional communities.

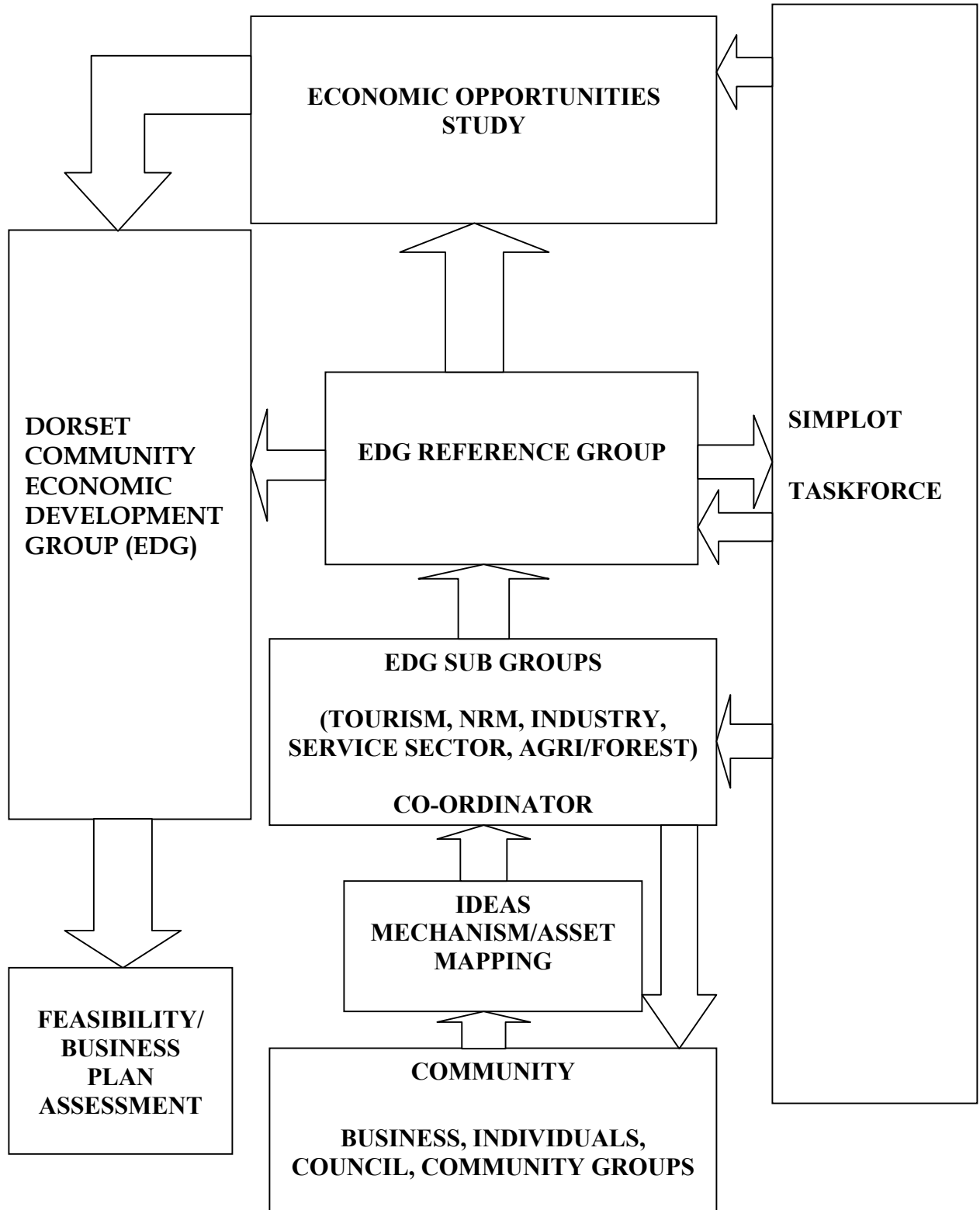
There is nothing in the literature on CEDM or regional policy that suggests small firms; entrepreneurship and innovation are not key ingredients to success. Some CEDM recognise that access to information is an opportunity that they should exploit if available. Universities can play a key collaborative role in CEDM. The EDG has been able to successfully develop such linkages through the Economic Opportunities Study and the membership of its interim Board.

The tangible legacy of CEDM should be an ongoing community driven institutional design. The work of the EDG, drawing on the Economic Opportunities Study should not be regarded as a series of ‘once off’ efforts to address the impact of the proposed Simplot Australia closure. Rather, the real challenge is to not only identify *opportunities* but to ensure the capacity of Dorset is channelled into an institutional design - such as the newly incorporated EDG - so that long term advocacy, planning and marketing of *opportunities* can be advanced beyond the short term impact of the Simplot Australia closure.

With this in mind, the EDG proposed a thematic relationship with such an institutional design. This has the effect of consolidating the facilitation, assessment and development of some identified *opportunities* within the EDG and integrating the activities of the EDG within a CEDM institutional design. The proposed integration is demonstrated in Figure 9 (below). These linkages provide the feedback and analysis for project assessment – at a preliminary stage – within this Report. It should however be emphasised that much of the ongoing assessment will be conducted by the EDG over the next 6 months.

Figure 9.

**Economic Development Group (EDG)
Proposed Study Plan: Linkages and Approach**



5.2 Project Assessment within the EDG

The research outputs of Wong, Sorensen and Bellinger into the broad application of community economic development models (CEDM) provide the foundation for an analytical schema that can assist the ranking of the various projects that need assessment within the EDG.

Within the framework of CEDM each project can be assessed – in a preliminary stage – by a series of criteria drawn from the CEDM literature. Attached to some questions – where appropriate - would be a ‘weighting mechanism’ either numerical or qualitative to assist the agreed process within the EDG of prioritising projects for recommendation for further business plan and feasibility studies. Such a ranking methodology is proposed in Table 11 below:

Table 11: Ranking Methodology

Criteria for Assessment	Rank	Rationale for Ranking System
Endogenous Project	3. High 2. Medium 1. Low	Higher weighting (3) is indicative of the extent to which the project is endogenous
Comparative Advantage	3. High 2. Medium 1. Low	Higher weighting (3) attached to demonstrable comparative advantage
Collaboration	3. High 2. Medium 1. Low	Higher weighting (3) attached to potential or existing collaboration
Human Resources	3. High 2. Medium 1. Low	Higher weighting (3) attached to existing human resource capacity, (1) attached to significant short fall in human resource capacity
Infrastructure Issues	3. High 2. Medium 1. Low	Higher weighting (3) attached to existing infrastructure capacity, (1) attached to significant infrastructure requirements
Financial Resources	3. High 2. Medium 1. Low	Higher weighting (3) attached to local financing capacity, (1) attached to reliance on outside financial sources
Government Assistance	3. High 2. Medium 1. Low	Higher weighting (3) attached to capacity to fit existing govt assistance packages
EDG/Connector Facilitation	3. High 2. Medium 1. Low	Higher weighting (3) attached to 'stand alone' capacity of project vis-à-vis EDG/Connector

The following is a series of proposed questions that would be applied to each project proposal:

- Is this an endogenous (grown from within Dorset) project?
- Can it demonstrate comparative advantages? What are they?
- Can it draw upon or develop collaborative support within Dorset?
- Are the human capital resources readily available to sustain this project? If not, what are the implications?
- Are there significant infrastructure impediments to this project?

- What is the breakdown of financial resources attached to this project?
- Can this project be attached to existing state and federal government assistance packages?
- To what extent can the EDG facilitate this project? Is this a project best facilitated by the Dorset *Connector*?

Weightings would be attached through reference to the EDG in prioritising projects as recommendations for feasibility and business plan development.

These projects include:

- Water and transport infrastructure development;
- Potential ethanol production;
- Value-adding to timber operations;
- Establishment of a ‘biodiversity museum/centre’ in Dorset;
- Windfarm interpretation centre;
- Chinese and mining heritage tourism development;
- Potential expansion of aged care facilities in Dorset;
- Examining the expansive and innovative capacity of a range of existing industries, especially agriculture and forestry.

As indicated previously in this Report, infrastructure development such as transport, water development and wind-power projects will play a critical role in the capacity of a range of new economic opportunities to emerge. These are ‘projects’ that are ongoing in Dorset and at various stages of implementation. For example, it is not unreasonable to postulate that potential investors in proposals to

expand agricultural production will factor water and transport cost factors into their calculations as to the viability of proceeding with any innovative plans. Given the relative cost advantage currently attached to land values in Dorset, the importance of securing some certainty around these infrastructure projects cannot be understated. Both transport access and water development projects will enhance existing comparative advantage for Dorset. The extent to which Dorset, through the Council's planning scheme can attach conditions that advance economic development gains in relation to wind-power projects within the municipality is a vital consideration, particularly as it relates to tourism initiatives. Again, the EDG must continue to be vigilant in the pursuit of appropriate outcomes for these infrastructure components.

The EDG has identified a number of new economic opportunities that may meet the necessary criteria for consideration as projects for feasibility and business plan development. Support for these projects from the extensive number under consideration by the Dorset EDG emerges from their capacity to match up relatively favourably to the criteria for CEDM outline above. Two of those projects – a large scale, Tasmanian brand name, high quality furniture manufacturing plant and a bio-diversity museum – are assessed against CEDM criteria and weighting in Tables 12&13 below:

Table 12: CEDM Assessment Criteria - Furniture Manufacturing

Project Description	This project would establish a world class, brand Tasmania, high quality furniture manufacturing plant in Dorset. It would be Tasmania's IKEA, bringing together Tasmanian wood-designers and specialist furniture makers to produce for domestic and export markets a Tasmanian furniture product, promoted as a Tasmanian icon brand name.
Endogenous Project	Forestry and timber are core industries in Dorset.
Comparative Advantage	Existing resource base is established and potential for specialist species silviculture would be an added bonus.
Collaboration	Economies of scale requirements for cost effectiveness and competitiveness indicates the need for collaborative frameworks to be established between existing operators and new investors. Potential private, public partnership (PPP) opportunity. Links between FT, Gunns and local industry sectors are established.
Human Resources	Existing skill base attached to operations is extensive and capable of development. Links to Fine Furniture School and existing furniture designers to be established under the 'brand name' proposal.
Infrastructure Issues	Location of a 'green fields' site will provide infrastructure considerations. The expansion of an existing site would have to meet a series of strategic considerations – market access, capacity.
Financial Resources	This project would be subject to feasibility studies and business plan development. It would be presented as 'investment ready' for potential investors. The initial focus would be as a PPP.
Government Assistance	The full range of government assistance – industry and export incentive - packages would be factored into the feasibility assessment of the project together with resource access agreements with FT.
EDG/ Connector Facilitation	Predominantly to assist with advocacy of the project and the facilitation of any human resource issues such as skill training and collaborative arrangements between designers and operators

Table 13: CEDM Assessment Criteria - Bio-diversity Museum/Centre

Project Description	This project would establish a bio-diversity museum in Dorset. Bio-diversity would be developed as an economic asset for Dorset and the museum would be a tourism ‘hub’ for a range of economic opportunities in the area of recreation, education and research.
Endogenous Project	Bio-diversity is Dorset’s ‘best kept secret’.
Comparative Advantage	Bio-diversity in Dorset is the ‘richest’ in Tasmania, outside of the World Heritage areas. No other region in Tasmania can match it.
Collaboration	The range of opportunities attached to the museum require collaborative arrangements. This is the purpose of promoting the museum as a ‘hub’ for economic opportunities in tourism, recreation, education and research. Collaboration between university and existing museum research units will be crucial.
Human Resources	This project will require the influx of a of new skills into Dorset – research but can build on existing human resource skills in education, recreation and tourism
Infrastructure Issues	Location of a ‘green fields’ site will provide infrastructure considerations. A bricks and mortar ‘hub’ will be required to focus future opportunities, especially the linking of towns in Dorset to the project.
Financial Resources	This project would be subject to feasibility studies and business plan development. Given the nature of the museum proposal the initial focus would be as a PPP.
Government Assistance	Much of the capacity attached to this opportunity will be dependent on the drive provided by all three levels of government. The nature of the project necessarily requires the input of government at all levels of the project, including advocacy that may entice support across a range of sectors.
EDG/ Connector Facilitation	Promoting the museum as an ‘economic icon’ and facilitating the ‘hub’ capacity of the museum for tourism and recreational opportunities.

The purpose within the EOS of this methodology is to *demonstrate* the application of the assessment methodology. It is anticipated that the endorsed economic development opportunities will be subject to

feasibility studies and *business plan development* so that the opportunities identified at the end of this process are presented as ‘investment ready’.

6. Conclusion

Simplot Australia’s announcement that it intends to close its food processing operation in Scottsdale at the end of 2003 provides a number of significant challenges for individuals and the Dorset community.

A twelve-month time-line between announcement and closure does at least provide hope that these challenges can be met and responses put in place that placate individual concerns and turn a potential community crisis into a range of sustainable opportunities that have the support of the Dorset community.

Simplot’s Australia’s community assistance package together with state and federal government financial assistance will provide short-term support for the EDG and its strategic plan.

This economic opportunities study makes a number of assumptions that drive its analysis and recommendations. These include the following:

- Dorset is a stable, proud and self-reliant community;
- Dorset’s socio-economic indicators suggest that there is no apparent reason why the community cannot meet the challenge confronting it;

- Its size, location and socio-economic profile strongly suggest that a community economic development model is the most appropriate theoretical approach for an economic opportunities study;
- The key components of community economic development models are a focus on endogenous development and the establishment of an institutional design that has the capacity to identify, development and implement the recommendations of the economic opportunities study;
- Dorset is well placed to meet these challenges because it has demonstrated considerable capacity to be innovative in approaches to governance – Sustainable Development Strategy (1996), Future Search Conference (2001) and the Natural Resource Management Strategy (2002);
- There a number of crucial influences on economic opportunities for Dorset that remain problematic. These include the infrastructure issues in relation to road access and water development and the lack of an effective regional development body in Northern Tasmania that is able to address any economy of scale deficits and provide effective integration of policy goals and objectives for the region as a whole. Both these crucial issues will need resolution in the short term in order to effectively advance the economic opportunities that may be recommended within this Report;
- The emergence of the Dorset EDG within the Simplot Taskforce exemplifies the significance of institutional design and community economic development. Securing the long term future of the EDG or similar organizational capacity in Dorset will be the most positive outcome of the economic opportunities study. The range

of opportunities to emerge from the study will require appropriate evaluation, development and implementation.

This Study endorses the process established within the Simplot Taskforce (see Figure 9) as the most appropriate to both *assess*, *develop* and *implement* the range of opportunities explored in the study. This process is best able to facilitate an outcome that links regional development theory to a community economic development model that will have the capacity of not only meeting the challenge of the Simplot closure but will place Dorset, once again, at the forefront of governance processes endorsing sustainable development principles.

Under this process two objectives are met. Firstly the EDG explore, identify and assess a range of major projects that have the potential to benefit the broader Dorset community in terms of long term employment and economic opportunities. These may include:

- Transport access;
- Water development;
- Wind-power projects;
- Forestry and wood value-adding projects;
- Bio-diversity museum;
- Consolidation and extension of aged care facilities;
- Diversification and extension of agricultural product base;
- Advocate the securing of a ‘green fields’ Ethanol production site in Dorset.

Secondly, the process allows for the establishment of an institutional approach to community economic development – the Dorset EDG. This institution, incorporated in May 2003, has the task of considering a range of economic opportunity suggestions and making appropriate recommendations. These include the following suggestions:

- Support to existing businesses with tangible expansion proposals;
- Progress plans to up-grade Scottsdale’s main street;
- Explore options to support the Barnbogle Dunes Golf links project;
- Gauge the need and seek funding for a Tourism Industry Development officer;
- Encourage the development of Dorset’s Chinese and mining heritage tourism;
- Secure funding for future Asset Mapping projects;
- Assist further development of the Dorset Education and Training Centre;
- Assist small business – either new or existing – to access the ‘Profit and Growth’ program;
- Assess other economic opportunity projects including: bottled water production; pet food manufacturing; biodiesel production; re-establish mustard seed production; utilisation of waste vegetable product; a wild-life park/native animal hospital; establish a small passenger and freight ferry from Bridport to Flinders Island and; the development of a ‘harvest farm’ tourism trail in Dorset.

Finally, the EDG has the crucial task of specifically assisting Simplot employees pursue self-employment initiatives, re-training programs

and access to financial planning advice, in addition to those already initiated by the unions, the company or government agencies.

A copy of the Dorset Community Economic Development Group's initial twelve-month strategic plan is included as Appendix B of this Report.

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PART A

1. What would you like the Dorset EDG to concentrate on in its economic opportunities study?

- skills needs and employee training for business
- potential for expansion of existing business
- seeking and researching new business opportunities
- prioritising infrastructure development for Dorset
- promotion and marketing of existing business product
- Other _____

2. What in your view is the single most important economic CHALLENGE and OPPORTUNITY facing the Dorset community?

CHALLENGE _____

OPPORTUNITY _____

3. Do you have a business idea for Dorset that you believe has potential?

Please comment: _____

4. What industry sector(s) do you believe hold the best opportunities for economic development in Dorset?

- Forestry and Timber
- Agriculture
- Manufacturing
- Tourism
- Fishing and Aquaculture
- Information Technology
- Food and Beverage
- Education and Training

5. Are there any specific areas within the above industry sectors that you believe Dorset has a competitive advantage in, but has

not realised the potential yet.

Please comment: _____

6. Personal Details (optional)

Name: _____

Address: _____

Phone: _____

Email: _____

Would you be interested in becoming a member of Dorset EDG?

Yes

No

PART B

***PLEASE COMPLETE ONLY
IF YOU OWN AND/OR
OPERATE A BUSINESS IN
DORSET***

1. What is the name of your business? (Optional)

2. Please provide a brief description of your business

3. Company Turnover (Optional)

- Up to \$50,000
- \$51,000-\$100,000
- \$101,000-\$500,000
- \$501,000-\$2m
- \$2.5m-\$5m
- Over \$5m

4. In which town/area is your business located?

5. Is your business

- locally owned
- regional chain
- national chain
- franchise
- owned outside of local area
- Other _____

6. Is your business a family business

- sole proprietor
- partnership
- limited partnership
- corporation
- subsidiary or branch

7. What is the main activity of this business?

- Retail
- Manufacturing
- Wholesale
- Service
- Professional
- Other _____

8. How many years has the business been operating in NE Tasmania?

9. What percent of your company's raw inputs are produced in Dorset?

- <25%
- >25%<50%
- >50%<75%
- >75%<100%
- 100%

10. How reliant is your business on other businesses in Dorset?

- very reliant
- somewhat reliant
- not reliant

11. Do you own, lease or rent your business premises?

12. Do you have plans/intentions to expand your business?

13. If yes, do you intend to seek Government support?

14. Which ONE of the following is the PRIMARY constraint on expansion?

- lack of cash flow
- inability to access finance
- lack of space
- lack of experienced management
- lack of available labour
- limited access to market
- lack of expanding market
- Other _____

15. Are imports required for your business? If Yes please specify what is imported (raw materials, products etc)

16. Do you export your products? If Yes please specify what is exported and the destination What?

Destination? _____

17. Which best describes the economic condition of your business?

- declining
- maintaining itself
- growing and expanding
- Other _____

18. Over the next three years, do you expect to expand the range of goods and/or services?

19. In the next three years, do you expect sales to (choose ONE)

- increase
- decrease
- not change
- don't know

20. How many employees work in this company?

21. What number are:
MALE: _____
FEMALE: _____

22. What number are:
Full-time _____
Part-time _____

23. Will you hire employees in the next year (2003/2004)?

24. Are you satisfied with the skills base of existing employees?

- Yes, very
- Yes, somewhat
- No, somewhat
- No, very

25. What skills/training do your employees need? (indicate all that apply)

- Sales Skills
- Technical skills
- Problem solving skills
- Organisational skills
- Customer relations
- Efficiency skills
- Research and development skills
- Marketing and product design
- Other

26. In the past three years, has this business participated in employee training?

27. If YES, in what job training programs has your company participated?

Would your company make use of training opportunities designed to meet your specific employment needs?

- Yes
- No

If YES, please list area(s) of interest:

28. What are the three most negative aspects of running a business in NE Tasmania?

29. What are the three most positive aspects of operating a business in NE Tasmania?

ADDITIONAL COMMENTS AND ISSUES MOST WELCOME

DORSET EDG STRATEGIC PLAN – 2003/04



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Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed it is the only thing that ever has.

(Margaret Mead)



INTRODUCTION

The community of north eastern Tasmania including the Dorset Municipality have a proud history of stable business activity and wealth creation based predominantly on the core industry sectors of mining, agriculture, fishing and timber.

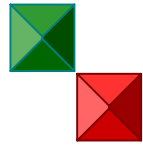
The decline of some traditionally important industry sectors including fishing, mining, manufacturing and services, have to a degree been compensated through the expansion of existing industries or through adapting to new ones, thereby maintaining employment levels that are traditionally higher than the Tasmanian average.

Business and employment circumstances in Northeast Tasmania however have changed over the past two decades. Recent industry and business closures are more serious due to reduced industry diversity, and therefore decreased alternative business and employment opportunities. Ownership and management of the region's larger enterprises has also become more remote, which has resulted in reduced entrepreneurship and missed opportunity due to the failure to recognise and utilise local natural advantage through capital investment.

The establishment of the Dorset Community Economic Development Group Inc (Dorset EDG) is a direct result of the north eastern Tasmanian community acknowledging that they are threatened by further economic and social decline, while also recognising that demonstrable natural advantage and opportunity exists in the region. The community have activated Dorset EDG with the support of local, state and federal government and the broad business community.

It is with this background that Dorset EDG is charged with the responsibility to motivate and facilitate productive change. To create an atmosphere of enthusiastic confidence that is supportable through sound research and service facilitation to deliver sustainable business growth and jobs into the future.

The north eastern region of Tasmania has a motivated and highly skilled population that is knowledgeable about the region's natural qualities. The district is presently one of the most under developed commercial opportunities in Australia due to its untapped natural resources, particularly within the primary industry sector. These advantages combined with honest community ethics and focused determination will stem further decline and prove to be the basis for future economic and social growth.



EXECUTIVE SUMMARY

The Dorset Community Economic Development Group Inc. (Dorset EDG) was established in November 2002, and formally incorporated in May 2003.

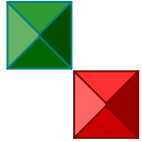
The catalyst for the formation of Dorset EDG was Simplot Australia's decision to close its potato processing plant at Scottsdale in December 2003. The closure will result in the loss of around 110 jobs, and a projected net loss of around \$20m/annum for the small regional economy of Northeast Tasmania.

The Simplot closure will have a significant negative impact on the Dorset economy and is in addition to several other recent local business closures, clearly demonstrating the region's commercial vulnerability. The formation of Dorset EDG is in response to an expressed community need and a distinct lack of appropriate institutional capacity to facilitate base economic development activities in the area. Dorset EDG will enable the community to take some control of its own destiny in relation to economic development.

The Dorset community has determined to take action through Dorset EDG and plan strategically for its future. Simplot has encouraged the community actions and pledged to provide an assistance package to alleviate the effect of their closure. This welcome assistance will contribute to Dorset EDG's initial operational funding, with additional contributions also sourced from the Dorset Council, Launceston City Council, Tasmanian State Government, Commonwealth Regional Funding Programs, local business and resident contributions.

Dorset EDG will conduct its activities within a Community Economic Development framework, and will be managed and overseen by a ten (10) member executive committee elected by the group's members. Membership of Dorset EDG is available to all ratepayers in the Dorset municipality.

The following plan is a summary of the strategic direction Dorset EDG will take over its first year of operation. It sets out a clear and achievable pathway of activities that will contribute to a strengthening of the local economy, a more engaged community with improved awareness and linkage with the wider economic region.



MISSION STATEMENT

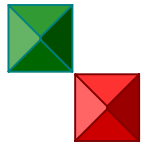
"The Dorset Community Economic Development Group Inc. will facilitate and promote activities leading to sustainable economic development within the Dorset region.

The group will respond to community needs and strengthen the wider regional linkage for business exchange and growth, advancing the economic contribution of Northern Tasmania.






Dorset EDG will work to set in motion necessary 'change management' activities fostering community resilience and capacity to meet the challenges of operating within a rapidly changing local, state and global economy.

Dorset EDG shall conduct its activities aimed to motivate outcomes that utilise the regions natural and people attributes in a manner that is ethical and conducive to high operational commercial standards, thereby contributing to Tasmania as a good place to be."





OBJECTIVES

-  *To seek opportunities for economic development which fit with the regions key competitive advantages that have identified positive employment outcomes*
-  *To assist in the growth and maintenance of existing Dorset businesses*
-  *To lobby for infrastructure improvements necessary for industry & community development*
-  *To promote and market the region's competitive advantages and development opportunities*
-  *To encourage new business development through the provision of basic advocacy and support.*

Dorset EDG objectives will be supported by a dedicated executive management committee made effective through the establishment of a comprehensive database, provision of community information, and broad linkage with supporting business and political stakeholders.



STRATEGIC PLAN 2003 – 2004

1. TO SEEK OPPORTUNITIES FOR ECONOMIC DEVELOPMENT WHICH FIT WITH THE REGION'S KEY COMPETITIVE ADVANTAGES AND HAVE IDENTIFIED EMPLOYMENT OUTCOMES					
OBJECTIVE					
STRATEGY	ACTION	PERFORMANCE INDICATOR AND TIMEFRAME	EXAMPLE (S)		
SCOPING OPPORTUNITIES	<p><i>Identify competitive advantages and development opportunities.</i></p> <p><i>Prioritise opportunities based on employment outcomes and probability of bringing projects to fruition.</i></p> <p><i>Initiate scoping/feasibility studies (including market assessment) and develop business cases.</i></p>	<ul style="list-style-type: none"> • Complete Economic Opportunities Study (EOS) • Undertake selected industry scoping/feasibility studies • Select high priority projects for detailed assessment /trials 	<ul style="list-style-type: none"> • EOS completed by July 2003 • Agriculture/tourism/forestry assessment by Dec 2003 • Aquaculture/Aged Care assessment by June 2004 • Selected projects to be managed by Dorset EDG sub-committees 	<ul style="list-style-type: none"> • Agriculture – seeking further crops to add to rotation and additional value adding opportunities • Sugar beet production trials (for ethanol) • Forestry – value adding (salvage operations; kiln drying plantation hardwood; furniture/component manufacture) • Opportunities for value-adding waste streams from vegetable packing industry • Investigate feasibility of further developing an aged care industry in Dorset • Dorset Biodiversity tourism project • Land-based intensive aquaculture • Further dairy development 	

GROWING EXISTING BUSINESS	2. TO ASSIST IN THE GROWTH AND MAINTENANCE OF EXISTING DORSET BUSINESSES			
	OBJECTIVE	STRATEGY	ACTION	PERFORMANCE INDICATOR AND TIMEFRAME
	<p><i>Identify what the key impediments to business growth in NE Tasmania are.</i></p> <p><i>Identify key business and industry development drivers.</i></p> <p><i>Seek assistance for promising developing businesses.</i></p>	<ul style="list-style-type: none"> • Complete Economic Opportunities Study • Develop database of existing Dorset business • Undertake selected industry management skills audits • Conduct market assessments in selected industry sectors • Seek assistance for promising developing businesses • Facilitate the provision of focused business development training • Improve awareness of avenues to finance 	<ul style="list-style-type: none"> • EOS completed by July 2003 • Dorset Business database developed and linked to www.dorset.com.au - August 2003 • Management skills audits and market assessments in selected industry sectors - June 2003 ongoing • Seek assistance for promising developing businesses - January 2003 ongoing • Facilitate a variety of business development and training seminars/programs - August 2003 ongoing 	<ul style="list-style-type: none"> • Profit and Growth program • Seek marketing assistance for Fernmania (treefern and specialty timber salvage business) • Seek business development/marketing assistance for Island Resources (sand mining business) • Business finance seminars • Service training • Collaborate with Scottsdale Education and Training Centre to identify vocational training needs. • Facilitation of a cooperative approach to improved streetscapes and retail hubs - eg: establish 'Scottsdale promotional committee'

INFRASTRUCTURE IMPROVEMENT	OBJECTIVE	3. TO LOBBY FOR INFRASTRUCTURE IMPROVEMENTS NECESSARY FOR INDUSTRY AND COMMUNITY DEVELOPMENT		
	STRATEGY	ACTION	PERFORMANCE INDICATOR AND TIMEFRAME	EXAMPLE (S)
	<i>Identify what infrastructure improvements would enhance business development/economic output in Dorset, rank in order of importance/priority, lobby government as appropriate.</i>	<ul style="list-style-type: none"> • Complete Economic Opportunities Study (EOS) • Conduct Economic Development and Business survey • Survey businesses about IT infrastructure and uptake and use of internet technologies • Review all available relevant studies/literature on proposed infrastructure developments 	<ul style="list-style-type: none"> • EOS completed by July 2003 • Economic Development and Business survey completed - July 2003 • IT capacity survey completed - July 2003 • Available relevant studies/literature reviewed and infrastructure requirements categorised and prioritised - October 2003 	<ul style="list-style-type: none"> • Road and Rail Transport capacity/constraints • Water storage for intensive agriculture development • Tourism infrastructure • IT and Telecommunications • Facilitation of improved streetscapes and retail hubs • Community bank

MARKETING AND PROMOTION	OBJECTIVE	4. TO PROMOTE AND MARKET THE REGION'S COMPETITIVE ADVANTAGES AND DEVELOPMENT OPPORTUNITIES		
	STRATEGY	ACTION	PERFORMANCE INDICATOR AND TIMEFRAME	EXAMPLE (S)
	<p><i>Improve the profile of the Dorset region through focused promotional activities based around areas of key opportunity and strategic advantage.</i></p>	<ul style="list-style-type: none"> • Develop website (www.dorset.com.au) as the main vehicle for promoting the region • Facilitate the establishment of a 'Dorset Development Opportunity Register' in collaboration with local real estate firms, council, State Government and vendors • Develop promotional strategy around several identified areas of competitive advantage 	<ul style="list-style-type: none"> • Website created - July/August 2003 • Development opportunities section of www.dorset.com.au commenced - August 2003 • 'Dorset Development Opportunity Register' created and linked to www.dorset.com.au – May 2004 • Dorset tourism promotional material developed - November 2003 • Dorset Agriculture promotional material developed - November 2003 	<ul style="list-style-type: none"> • Promote opportunities for vegetable production and processing complementary to existing industry • Niche branding and marketing of genetically superior and/or organic Dorset milk • Tourism development opportunities • Aquaculture opportunities - eg: abalone • Promote agriculture opportunities associated with water development projects eg: Waterhouse

NEW BUSINESS DEVELOPMENT	OBJECTIVE	5. TO ENCOURAGE NEW BUSINESS DEVELOPMENT THROUGH THE PROVISION OF BASIC ADVOCACY AND SUPPORT		
	STRATEGY	ACTION	PERFORMANCE INDICATOR AND TIMEFRAME	EXAMPLE (S)
	<p><i>Develop an appropriate business advice/information network between Dorset EDG and outside agencies to ensure feasible new business opportunities are given a maximum chance of success, and that appropriate advice and support can be readily accessed.</i></p>	<ul style="list-style-type: none"> Establish best methodology to ensure the whole Northeast is appropriately serviced in regard to Business Development by creating a collaborative framework with the Department of Economic Development, Business and Employment Department of Primary Industries, Water and Environment and relevant Commonwealth Departments (DoTaRS, Ausindustry, Austrade, AFFA) Investigate activities in other regions of Tasmania and the mainland to find the appropriate model Apply to Department of Economic Development to be considered for Business Enterprise Centre status Initiate local business mentor program 	<ul style="list-style-type: none"> Ascertain whether a Business Enterprise Centre is an appropriate model for Dorset, and if so lodge an application with Department of Economic Development by September 2003 Local Business Mentoring program initiated – by May 2004 	<p><u>Other Business Enterprise Centres in Tasmania:</u></p> <p>Bellerive – Business East Burnie – Braddon Business Centre Deloraine – Meander Valley Business Enterprise Centre Devonport – Business and Employment Hobart – Business and Employment Hobart Huonville – Huon Valley Business Enterprise Centre Kingston – Kingborough Community Enterprise Centre Launceston – Business and Employment Launceston New Norfolk – Derwent Valley Business Enterprise Centre Queenstown – Tasmanian West Coast Business Employment Smithton – Circular Head Business Enterprise Centre St Helens – Break O’Day Business Enterprise Board</p>

DISCLAIMER:

The Dorset community is aware of serious business viability and employment threats caused through business contraction and closures occurring in recent years.

The north eastern Tasmanian community in response, has recently formally established the Dorset Community Economic Development Group Inc. to seek stabilisation and economic development opportunity. The organisation is structured to operate through an elected Executive Committee.

The Executive Committee charged with the responsibility of exploring all options for economic stabilisation and development throughout the region has reviewed preliminary data and community suggestion to formulate its initial one year strategic plan.

Whilst every effort has been made to confirm the fundamentals on which this plan has been based, and numerous informal and executive meetings have ensured diligent component research with endorsed plan development, no information or outcome warranty is given or implied.

This 'Strategic Plan 2003-04' is sincerely endorsed and presented by the Executive Committee as the initial working document outlining the operational aims of Dorset EDG.

The Executive Committee

John Carswell
Chairman



Nic van den Bosch
Secretary



20 June 2003