Innovative Governance in a Metropolitan Context? The Case of the Office of the North, Adelaide

Peter Trainor
Flinders University
Email: peter.trainor@flinders.edu.au

ABSTRACT
In the lead-up to the 2002 South Australian election, the Labor Party announced its intention to implement a suite of policy initiatives for Adelaide’s northern region. At the time, “Labor’s Plan for the Northern Region” was framed to address key challenges (and opportunities) facing the North1, including the dual dynamic of:

1) the region’s real – and perceived – status as an area of concentrated disadvantage and dysfunction; and
2) the region’s identified role as a site for future urban growth and continuing industrial and economic development.

Among Labor’s plans for the North were those for the establishment of a new “Northern Region Strategic Forum” which would “strengthen …relationships between State Government, its agencies and Northern Region Councils” and “promote and support regional initiatives and lead economic and social development through a more strategic approach by the State Government”. The work of the Forum was to be “oversee[n]” by four “Northern Ministers”2 (Australian Labor Party 2001).

Although Labor did not secure an absolute parliamentary majority in the State election of February 2002, leader Mike Rann was able to form what became a surprisingly stable Government. Towards the end of 2002, the Government began to implement its plans for the Northern Region Strategic Forum. An Office of the North was approved by State Cabinet on 19 August, and the Office was opened, with little fanfare, on 4 November 2002. It was not until May of the following year, however, that Urban Planning Minister Jay Weatherill, while announcing an “environmentally friendly” housing development in the Salisbury area of northern Adelaide, “revealed [that] an Office of the North, headed by senior public servant Peter Sandeman, had been established in his Department to help co-ordinate strategies for [such] projects” (Kelton 2003).

In its original formulation, the Office of the North and related ‘arrangements’ mirrored Labor’s campaign policy statement. In the three years since its inception, the structure and function of the Office of the North have undergone significant change. Meanwhile, responsibility for the Office has moved through the hands of four Ministers and two Departments. This paper presents preliminary

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1 The terms ‘the North’ and ‘northern Adelaide’ are used throughout to refer to that section of metropolitan Adelaide which falls within the local government boundaries of the Cities of Salisbury and Playford, and the Town of Gawler. (See Figure 1 overleaf.)
2 In its policy document, Labor assumed not only its accession to government, but also the electoral success of four northern region candidates who would be in a position to take on roles as “Northern Ministers” — Annette Hurley, Kevin Foley, Lea Stevens, and Trish White. Three of these candidates were elected while the fourth, Annette Hurley was unsuccessful in her attempt to secure an additional Northern seat for Labor, by standing down from the safe Labor seat of Napier, to contest the (marginal) Liberal seat of Gawler. Labor’s Michael O’Brien successfully contested the seat of Napier. Hurley was subsequently elected to a Senate seat in the 2004 Federal election.
findings and reflections arising from a PhD research project, the primary focus of which is the Office of the North.

Figure 1 Metropolitan Adelaide (Source: Planning SA 2003)
INTRODUCTION
The paper first outlines a number of key theoretical themes. Second, I sketch important background aspects to the study. Third, I present information gathered through research so far. Finally, I offer some reflections on the findings to date.

RESEARCH THEMES
The aim of the research project is to develop a contextualised case study of the Office of the North — and of associated initiatives in Adelaide’s north — in the light of key themes from contemporary discourse. Important among these interlinking themes are those of:
- governance;
- urban competitiveness and entrepreneurialism;
- questions of scale;
- planning;
- collaboration and partnerships.
These themes link to broader debates around globalisation, post-industrial society, and post-modernity. The key research themes are addressed briefly in turn below.

Governance
In political science and public administration, significant attention has been directed in recent years to analysis of the concept of governance (see Pierre and Peters 2000; Stoker 1998; Rhodes 1997). Typically, definitions highlight the distinction between government and governance. Stoker finds “baseline agreement” among theorists that “governance refers to the development of governing styles in which boundaries between and within public and private sectors have become blurred”. He adds that “the essence of governance is its focus on governing mechanisms which do not rest on recourse to authority” (Stoker 1998, p.17). Others refer to the “transfer …of state capacities upwards, downwards and sideways” to supranational, sub-national and non-government entities (see Jessop 2002, p.34).

Governance discourse is seen to have analytical, normative and rhetorical aspects (Healey, Cars et al. 2002, pp.7-15; Stoker 1998, p.18). Governance theory is also linked to discussion of ‘policy networks’, and the notion of ‘heterarchy’ — an alternative perspective to the supposed “rigid polarisation between the anarchy of the market and the hierarchy of imperative coordination” (Jessop 2000, p.15; Amin and Hausner 1997). Network perspectives on governance connect in turn to broader contemporary discourse on networks and complexity theory in natural sciences, sociology, urban studies and elsewhere (Byrne 2001; Allen 1997). Broadly speaking, theoretical developments along these lines reflect not only (supposed) increasing complexity in the contemporary (social and technological) world, but also increasingly complex and reflexive approaches to understanding the world and objective reality more generally (Darbas 2003; Geyer 2003).

While some writers actively tout the benefits of “network power” (Booher and Innes 2000), others caution of the potential for “governance failure” alongside “market failure” and “government failure”. Questions of openness, accountability, efficiency, effectiveness and democracy have all been raised in relation to the governance model (Healey, Cars et al. 2002; Jessop 2000). The rhetoric of “good governance” may also serve to obfuscate debate on fundamental and perennial political questions of power and privilege (Jessop 2002, p.469; Friedmann 2002, pp.xvii-xviii ; Keating 2002).3 On the public administration side, governance debate employs terms such as “integrated governance”, “whole-of-government” and “joined up governance” (Institute of Public Administration Australia 2002).

Globalisation, neoliberalism (etc.)
Wiseman describes ‘globalisation’ as a “slippery, dangerous …buzzword”, but suggests that this is “the best word we …have for describing the many ways in which space and time have been compressed by technology, information flows, trade and power so that distant actions have local effects” (Wiseman 1998, pp.1, 14). Typically, the term ‘globalisation’ refers to changes in the structure and function of the world economy over the last three decades.

If ‘globalisation’ is primarily a descriptive term, ‘neoliberalism’ is its prescriptive counterpart, or as Keil writes “its cousin” (Keil 2002, p.581). Progressively from the early 1970s, proponents of neoliberal economic theory mounted a comprehensive challenge to the Keynesian economic orthodoxy which had dominated during the post-war ‘long boom’ period (Harvey 2005). While Keynesian theory had provided the theoretical base for a world of regulated and protected national economies, and for the growth of the welfare state, the neoliberal ‘program’ has entailed the winding back of Keynesian policy measures. Jessop outlines the agenda of neoliberalism:

... deregulation of economic transactions ...within national borders, but also — and more importantly — across these borders ...privatization of state-owned enterprises and state-provided services; the use of market proxies in the residual public sector...[etc.] (Jessop 2002, p.454)

Urban Competitiveness and the Entrepreneurial City

Competition – in open and deregulated markets – and the economic benefits deemed to flow from this are of foundational importance in neoliberal economic theory (Brenner and Theodore 2002a, p.350). This has important implications for cities and regions. Under the Keynesian order, emphasis was on the role of nations (i.e. nation-states) as the fundamental economic and political entities, and the principle loci of collective identity. National governments used measures from the Keynesian ‘toolbox’ to direct national economies, and ‘competition’ was seen primarily in terms of competing firms, and competing national economies. One consequence of economic liberalization has been a shift in emphasis on questions of economics and politics away from the national arena and towards other spatial scales including the supra-national and sub-national scales. Meanwhile, enhanced prominence has been conferred on cities and regions as “competitive” or “entrepreneurial” entities, in both national and international arenas (see Lever and Turok 1999, and others articles in the same issue; Brotchie, Batty et al. 1995; Harvey 2001 [1989]; Hamnett and Lennon 1999).

The idea of cities as the primary ‘engines’ of national economies has had currency for some time (Jacobs 1986), and in recent years “it has become commonplace to assert that …[cities] compete with each other to secure a more favourable position in the global economy” (Docherty, Gulliver et al. 2004, p.447), although some question the notion of competitive cities (Begg 1999, p.796). Gordon outlines the important parameters of city competitiveness:

Cities compete in a variety of ways ...the most significant involve rivalry within produce markets, and that for inward investment, the attraction of desirable residents, and contests for funding or events from higher levels of government. (Gordon 1999, p.1001)

Public policy can play a significant role. Measures available include those which may prove counterproductive in the long run, such as tax concessions, subsidies and other generous deals for businesses, as well as ‘place marketing’ strategies (Metaxas 2002; Ward 1998), and a range of more nuanced approaches (Friedmann 2002, Ch.2). It is argued that the new emphasis on competitiveness has led to a shift in urban governance styles from ‘managerialism’ to ‘entrepreneurialism’ (Harvey 2001 [1989]). Hubbard and Hall note the key features of urban entrepreneurialism:

4 Drawing on ‘regulation theory’, Jessop posits a shift in Western capitalism from “the Keynesion welfare national state (or KWNS)” to a “Schumpeterian workfare postnational regime (or SWPR)” (Jessop 2002, p.459).
firstly, a political prioritisation of pro-growth local economic development … secondly, an associated organisational and institutional shift from urban government to urban governance. (Hubbard and Hall 1998, p.2, original emphasis)

Lever and Turok adopt a more comprehensive (and idealistic) definition of urban competitiveness as:

the degree to which cities can produce goods and services which meet the test of wider regional, national and international markets, while simultaneously increasing real incomes, improving the quality of life for citizens and promoting development in a manner which is sustainable. (Lever and Turok 1999, p.792)

Scale Questions

Questions of scale are implicit in discussions of governance. Alongside debates on neoliberalism and globalisation, there has emerged a stream of discourse addressing explicitly the scalar aspects of the changes associated with these terms. There are at least three important aspects. First, the eclipse of Keynesianism has entailed a shift of emphasis away from the national arena, and towards other spacial scales (Kearns and Paddison 2000; Brenner 2000). Second, attention has been directed to the “rescaling of political-economic space” which is said to be occurring at different levels in association with global economic change (Brenner and Theodore 2002b, p.342; Brenner 2003). Thirdly, a more reflexive line of thinking about scale has developed, which questions a simplistic scale ontology, and adds complexity to discussions about ‘rescaling’ (MacLeod and Goodwin 1999; McGuirk 1997). From this perspective

spatial scale is not to be construed as a timeless, asocial ‘container’ or ‘platform’ of social relations, but […] as their historical presupposition, medium and outcome, continually produced, reconfigured and transformed as the ‘geographical organizer and expression of collective social action’ (MacLeod and Goodwin 1999, p.711, quoting Brenner)

Furthermore, it is argued, as such transformations proceed,

spatial scales—including those of state territorial organization—become not only the ‘setting’ of social and political conflicts but one of their ‘principal stakes’. (MacLeod and Goodwin 1999, p.711, again quoting directly from Brenner)

This approach builds on ‘structurationist’ ideas of Giddens (Giddens 1984), in suggesting that “social structures are …both constituted by human practices, and yet at the same time they are the very medium of this constitution” (MacLeod and Goodwin 1999, p.711, quoting Thrift; Healey, Cars et al. 2002, pp.25-6).

While much of the literature on urban competitiveness and entrepreneurialism is framed in terms of cities, or of metropolitan ‘city-regions’ (see Scott 2002), the problematic of scale, and the shift towards networked governance raise the possibility of ‘competitiveness’ and ‘entrepreneurialism’ operating at a variety of scales (Heinz 2000; Docherty, Gulliver et al. 2004). A sample of three perspectives suggests emerging themes and links. First, Salet et al. note the dangers of “fragmentation”, and lack of capacity for strategic action arising from “the trend towards governance” (Salet, Thornley et al. 2003, p.15 et passim). Second, Jonas and Ward suggest that in the current environment of scalar flux,

Perhaps, the key analytical …is not ‘who rules cities’ but rather ‘at what spatial scale is territorial governance crystallising’? (Jonas and Ward 2001, p.21)

Finally, Smith offers the observation that geographical scale itself

…is best conceptualized as the spatial resolution of [the] contradictory social forces …of competition and cooperation. (Smith 2003, p.228, underlining added)

While the question of the appropriate scale of governance arrangements for metropolitan Adelaide has been raised in various contexts over recent years (Landry and Department of the Premier and Cabinet (South Australia) 2003, p.43), the logically necessary relationship between competition on
the one hand, and *cooperation* on the other, and the issues of the *negotiation* and *maintenance* of cooperative relationships, lie at the heart of questions about regional governance in Adelaide’s north. The theme of cooperation is dealt with from both theoretical and practical perspectives across a range of literatures including those on *collaborative approaches to planning* (Healey 1997), *consensus-building* (Susskind, McKearnan *et al.* 1999; Innes 2004), and *deliberative policy-making* (Hajer and Wagenaar 2003).

**Collaboration, Consensus-Building, Partnerships**

While *networks* may be described as “the analytical heart of the notion of governance” (Fainstein 2001, p.2), *trust* and *diplomacy* lie “at the heart” of governance (Rhodes 2005, p.14). Among the writers who have articulated both theory and practice in relation to network governance are several writers working in the field of ‘planning’. ‘Planning’ is notoriously difficult to define (Wildavsky 1973), and Neutze has observed “no clear distinction between urban policies and other areas of government policy,” adding that “[t]here is a continuous gradation of policies from urban planning …to defence and foreign affairs” (Neutze 1978, p.216). Across the spectrum, planning entails “intervention with an intention to alter the existing course of events” (Campbell and Fainstein 1996, p.6), and “collective action for the common good” (Fishman 1999, p.2), and raises questions about the relationship between governments and markets (Campbell and Fainstein 1996, pp.6-7). The focus in this paper is primarily towards the ‘urban policy’ end of the ‘planning’ scale.

In *Collaborative Planning* (Healey 1997), Healey develops a detailed argument linking the emergence and evolution of urban planning (and planning more broadly conceived) — throughout the period from the late nineteenth century — to the ascendance of *modernity*. Key themes in modernity — the roots of which Healey locates in “the intellectual sea change …we now label …the ‘Enlightenment’” (Healey 1997, p.8) — are those of objective scientific knowledge, and rationality. Beginning with the Enlightenment, Healey argues, these principles increasingly provided a foundation for the idea of progress, and a basis for objectively conceived collective action for the common good. With the eclipse of modernity, she argues, the capacity for such action has been compromised.5

This gives rise to a dilemma. On the one hand, the real *need* for collective strategic action persists in world of ‘competitive cities’ and ‘risk management’ (Beck, Giddens *et al.* 1994). On the other hand, commitment to comprehensive planning by the state has been weakened through the rise of neoliberalism, while simultaneously, the very possibility of collective strategic action has been weakened by post-modernity’s multi-centric vision. Healey proposes to resolve this dilemma through her vision of *collaborative planning*, developed from a philosophical base in Habermas’ work on “communicative action” (Healey 1997, p.53). The ‘collaborative’ perspectives on planning and governance as articulated by Healey (Healey 1997), and by Innes and others (Innes 2004) are among the most prominent of a range of discourses which present broadly ‘cooperative’ visions of collective decision-making. Indeed, Allmendinger and Tewdwr-Jones suggest that “collaborative theory” has attained a “dominant position as one of the key paradigms of and for twenty-first century planning” (Allmendinger and Tewdwr-Jones 2002, p.xi )6. The rhetoric of consensus, networks, collaboration and partnership abounds in official documents relating to the governance of cities and regions, and the policy statements and documents associated with the South Australian Government’s Office of the North are no exception (Office of the North 2003; see also Local

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5 Space does not permit consideration of theories of the historical trajectory of modernity. See *Kumar* (Kumar 1997) for a brief summary.

6 In the same volume, *Harris* (Harris 2002, p.22) notes the broad ambit of Healey’s planning vision, quoting her prefatory reference to *Collaborative Planning* as a book “about why urban regions are important for social, economic and environmental policy, and how political communities may organise to improve the quality of places” (Healey 1997, p.xii ).
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Government Association of South Australia and Office of Local Government (South Australia) 2002; Local Government Association of South Australia, Office of Local Government et al. 2001).

Collaborative and consensus-building models of planning and policy development have encountered criticism from various sources (Harris 2002). One contrasting view of the dynamics of interaction between diverse and/or competing interests — particularly in local ‘spatial’ contexts — is expounded by Flyvbjerg (Flyvbjerg 1998). While communicative theorists set store by the "power of rationality" (i.e. the value of persuasive argument — “knowledge is power”), Flyvbjerg highlights the countervailing logic of the “rationality of power” (i.e. the influence of power on “what counts as knowledge” – “power is knowledge” Flyvbjerg 1998, Ch.20, pp.231-2 et passim). These two perspectives on planning and collective decision-making as presented by Healey, Innes and others on one hand, and critics such as Flyvbjerg on the other, can be represented in terms of tension between ‘possibility’ and ‘probability’ — advocates of collaborative approaches point to the possibilities of dialogue and partnership. Sceptics such as Flyvbjerg argue the probability that questions of power and narrow self-interest will decisively influence outcomes.

These and other debates suggest important lines of investigation and analysis in developing a case study of the Office of the North:
1) Identifying and documenting the substantive features of the Office of the North initiative, and the evolution of this project since its inception;
2) Assessing the degree to which the Office of the North may be termed a genuinely collaborative venture;
3) Evaluating the effectiveness of the Office of the North and associated initiatives in generating, facilitating and realising (sub-metropolitan) regional policy in Adelaide’s northern region.

To date the primary focus of my own research has been in the first of these areas.

CASE STUDY BACKGROUND
In this section, a brief summary of relevant aspects of Adelaide’s history is presented. This is followed by specific contextual material relating to Adelaide’s northern region.

Adelaide’s History
Adelaide has often been represented as a model of the possibilities for the exercise of public authority in service of a vision of the common good (Stretton 1989; Hamnett and Freestone 2000). Whether recent initiatives, including the Rann Government’s ‘Plan for the Northern Region’ should be understood as a continuation of this ‘tradition’ remains be seen.

For present purposes, key points in Adelaide’s history include (chronologically):
- 1836 — The ‘systematic colonisation’ of South Australia, beginning in 1836 under the proposal developed and promoted by E.G.Wakefield (Bunker 1986, p.8; see also Pike 1967).
- 1837 — The original 1837 plan for the city of Adelaide, generally attributed to Surveyor-General William Light (Johnson and Langmead 1986) — The distinctive layout of the city was used by town planning pioneer Ebenezer Howard to promote his ‘garden city’ ideals (Hall and Ward 1998).
- 1918: — South Australia’s early appointment of an official town planner, Charles Reade, in 1918.
1919: — The passing in 1919 of Australia’s first comprehensive town planning legislation (Hutchings 1986).7

1930s to 1960s: — Industrialisation — The State’s program of ‘industrialisation’, initiated in the early 1930s, was pursued vigorously for nearly three decades under the Premiership of Tom Playford (Rich 1996). One consequence of the industrialisation program was that Adelaide retained and consolidated a significant automobile industry during the Playford years. This industry remains an important economic contributor, and source of vulnerability, to this day, not least in Adelaide’s north. The auto industry, in turn, provided a basis for the establishment of weapons production facilities in northern Adelaide during World War II, and again, Adelaide’s defence industry remains a key feature of the economy of both the State, and Adelaide’s northern region.

1936: — The role of the South Australian Housing Trust — The South Australian Housing Trust (SAHT) was created in 1936 and played a critically important role in the State’s industrialisation process. The Trust was established in the first instance to provide a base for the government’s industrialisation strategy by keeping workers’ wages at levels competitive with those in the Eastern States (Marsden 1996, p.118). The Trust played a pivotal role in the development of metropolitan Adelaide, especially during the ‘long boom’ post-war period.

1950s: — The establishment in the early 1950s of the ‘new town’ of Elizabeth, 27 kilometres north of Adelaide — Elizabeth was a creation of the Housing Trust, conceived along the lines of the British-style ‘new towns’ of the period (Peel 1992). By 1965, a population of more than 40 000 people was housed in over 9 000 houses (Marsden 1986, p.287). Significant local employment opportunities were available to a population of which UK migrants always formed a substantial minority (Stretton 1989, pp.144-56; Marsden 1986, p.299). Among the providers of local employment was General Motors Holden (GMH), which established its Elizabeth plant in 1958, and remains a significant presence in Adelaide’s north.

1950s–1960s: — The ‘delayed’ re-entry of the South Australian Government into the field of metropolitan planning in the 1950s and 1960s (Sandercock 1977, Ch.6) — In 1962 town planner Stuart Hart’s Town Planning Committee produced its comprehensive landmark Report (Town Planning Committee 1962), which was adopted as the Metropolitan Development Plan in 1967 (Morison 2000, p.117). Key elements of the Report harked back to the earlier work of Light and Reade, and the 1962 Report has continued to provide the “essential beat” of “Adelaide’s metropolitan strategy” into the 1990s and beyond (Hutchings 1993, p.191).

1973: — The establishment in 1973 of the South Australian Land Commission (SALC) — A State Government report had recommended the establishment of the Commission “to acquire land on a large scale and make it available for subdivision into allotments for residential and ancillary purposes” (Forster and McCaskill 1986, p.99, quoting the report). The South Australian Land Commission was created in 1973 (Troy 1978, p.55), with objectives to “to stabilize the price of urban land, to divert the flow of land value increments from rural to urban use to the community and to 'achieve comprehensive and orderly urban development'.” (Forster and McCaskill 1986, p.99).

7 The legislation was repealed in 1930 (Hutchings 1986, p.71).
The Land Commission came into being in time to take advantage of the Federal (Whitlam) Government’s land commission scheme, and between 73/4 and 74/5 the Commission took 43% of the funding available under that program (Forster and McCaskill 1986, p.99).

- **1981:** — In 1981, the SALC was renamed the Urban Land Trust and simultaneously “emasculated” (Hamnett and Lennon 1999, p.187), with the Commission’s erstwhile development role transferred to the private sector (Hamnett and Lennon 1999, p.187; Orchard 1992, p.147).

- **1990s:** — In the mid-1990s, the Urban Land Trust was abolished, and its land bank role transferred to the Land Management Corporation (LMC) (Hamnett 2000, p.180; Gleeson and Coiacetto 2005, p.19), which now releases and develops land in partnership with both public and private sector bodies, and has a brief to “seek to maximise returns for Government”, albeit “in accordance with …Government policy and objectives” (Land Management Corporation 2003).

- **Late 1980s:** — The Multi-function Polis — In the late 1980s, the Bannon Labor government became involved in negotiations to secure the location in Adelaide of a ‘high-tech Multi-function polis’ to be situated primarily on “degraded and contaminated land centred on Gillman and Dry Creek, 12 kilometres north of the city centre” (Hamnett and Lennon 1999, p.197). While the exercise was ultimately abandoned in the late 1990s, substantial developments in the northern region did flow from the ‘wreckage’ of the MFP, including the Mawson Lakes Technology Park in the Salisbury area, and important environmental initiatives (Hamnett 1997).

- **1990-1992:** The Planning Review — Premier John Bannon launched the Planning Review in April 1990. Key aims of the Review were to draw up a new plan for metropolitan Adelaide, “expressing a ‘community-shared vision’”, to “formulate an improved planning system” and “to do both with a maximum of consultation and involvement” (Bunker 1995, p.146). The Review produced a number of key documents including a Metropolitan Planning Strategy which was progressively updated over the following decade (South Australian Planning Review 1992). Both Hamnett and Lennon, and Bunker suggest that the Planning Review was insufficiently cognisant, in an increasingly competitive environment, of the need to integrate economic strategy with more traditional urban planning measures (Hamnett and Lennon 1999, p.195; Bunker 1995, p.155). The collapse of the State Bank was a painful reminder that a new economic era had arrived.

- **1990s:** — The Labor government was ejected from office in 1993, in the wake of the State Bank collapse. The incoming Liberal government added “some hastily inserted new economic objectives into the Planning Strategy, but “showed little interest” in the Planning Strategy during its years in government (Hamnett 2000, p.180).

**Rann Labor 2002-2010(??)**

Following the State election of March 2002, Labor under Mike Rann was able to form government with the help of key independents. Labor under Rann has displayed a keenness for planning across a range of fields, and a number of planning documents and initiatives have been produced since Rann came to power. Key initiatives have included:

- The establishment of an Economic Development Board — The Economic Development Board (EDB) was created by the Government in early 2002 (Economic Development Board 2002a, p.i). The EDB is composed of a number of high profile
business people, former politicians and other prominent citizens. The EDB has produced a number of important reports and recommendations, including the multivolume “State of the State” Report (see Economic Development Board 2002b, and related documents), and a “Framework for Economic Development” (Economic Development Board 2003). The latter document and other input from the EDB provided the foundation for the South Australia Strategic Plan (Department of the Premier and Cabinet (South Australia) 2004). The Strategic Plan has become a primary guiding document for both State and Local government in South Australia.

- Updated Metropolitan Strategy — The Rann government has also released first a Metropolitan Planning Strategy (Planning SA 2003) (an update of a 1998 version) and, subsequently, a Draft Metropolitan Planning document which “builds upon” the 1992 Planning Strategy and the revisions of 1998 and 2003, but “is a more comprehensive revision and re-expression of that Strategy”, and “sits under the umbrella of South Australia’s Strategic Plan” (Planning SA 2005, pp.2,3).9

- Northern Region policy — The Labor Party announced its plans to establish a Northern Region Strategic Forum in the lead-up to the 2002 Election (Australian Labor Party 2001). This policy subsequently provided the basis for the establishing of the Office of the North.

The Rann Government will face the electorate in a State election, due in March of 2006.10

Adelaide’s Northern Region

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8 Membership of the EDB has included Robert Champion de Crespigny (founder of Normandy Mining), Andrew Fletcher (former senior vice-president with KBR), Monsignor David Cappo (Vicar General of the Catholic Arch-Diocese of Adelaide), Hon. Bob Hawke AC (former PM of Australia), and Scott Hicks (filmmaker).

9 Other documents produced to date include an Infrastructure Plan, a Draft Outer Metropolitan Plan, a Draft Transport Plan and a Housing Plan.

10 The Rann Government was re-elected with a comfortable majority in the State election of March 2006.
The area of Adelaide addressed by this study (Figure 2) covers the three ‘northern’ Councils of the City of Salisbury, the City of Playford, and the Town of Gawler. This area has a combined population of around 210 000 — around 20% of the population of metropolitan Adelaide (Australian Bureau of Statistics 2002). Adelaide’s north has a reputation as an area of concentrated social disadvantage, though this is not uniformly true. Key indicators for the (combined) area of Salisbury and Playford (i.e. excluding the Town of Gawler) are as follows (Department of Transport and Regional Services (DOTARS) 2003):

- higher rates of unemployment, sole parent families and public sector housing than the State average;12
- higher proportion of persons aged under 10 years, and lower rates of persons aged over 70 years;
- incomes below the State average;
- low rates of tertiary education participation.

37 of 42 suburbs/localities in Playford and Salisbury have been ranked higher than the Australian average on the SEIFA ‘Index of Relative Socio-Economic Disadvantage’.

City of Salisbury
The City of Salisbury is located approximately 25 km north of Adelaide. Salisbury has a population close to 120 000, and an annual budget of around $70 million (City of Salisbury 2004a, p.46). Salisbury is one of the largest and most significant Councils in metropolitan Adelaide. Key points of interest in relation to Salisbury include:

- Mawson Lakes Development —Mawson Lakes is one of the substantive spin-offs of the ill-fated Multifunction Polis project. Major partners in the Mawson Lakes development are the Land Management Corporation, the City of Salisbury and Delfin Lend Lease (Land Management Corporation 2003, pp.7-8). Features of Mawson Lakes include “innovative housing …[and] a landscaped lakeside environment” geared to a “cosmopolitan lifestyle”; a campus of the University of South Australia; a Technology Park, where a number of defence and hi-tech industries have located (Tenix, SAAB, BAE and others); as well as schools and shops.

- Edinburgh Air Base and the Defence Science and Technology Organisation (DSTO) —These Commonwealth facilities are located within the City of Salisbury boundaries, to the north of the Salisbury Town Centre. Some 600 hectares of this land — ‘Edinburgh Parks’ — has been acquired by the LMC and is in the process of being developed for a range of non-residential purposes. One section has been established as an automotive precinct (’supply park’) for the General Motors Holden factory which lies across the railway line in the City of Elizabeth. Other sections will accommodate manufacturing, defence and aerospace industries and other related operations (City of Salisbury 2004b, p.21). A ‘Defence Unit’ within the South Australian Government’s Department of Trade and Economic Development (DTED) is also lobbying in various quarters to secure the relocation of an Australian Army Battalion to the Edinburgh Park site — a project which could bring substantial ‘spin-offs’ for local economies. New ‘transport hubs’ are proposed to link with developments already underway, and with those currently mooted.14

11 The three councils are listed here “from south to north geographically”, acknowledging an interviewee’s comment “The region is very sensitive to who is mentioned first!”.
12 By contrast, the Town of Gawler recorded an unemployment level lower than the State average in 2002 (Spoehr, Wright et al. 2002, p.19).
13 Delfin Lend Lease has a long history of involvement in public/private partnerships for land development in South Australia (see Badcock 2000).
14 A public announcement of the relocation of a Battalion of the Australian Army to the Edinburgh site was made on 15 December 2005.
environmental programs — The City of Salisbury is a world leader in developing processes for stormwater use, waste water recycling and wetlands (Hamnett 2003).

“enterprise culture” — the City of Salisbury actively pursues business, and industrial development. The glossy booklet Salisbury — Shaping the Future, and the accompanying DVD (City of Salisbury 2004b), represent one manifestation of this enterprise culture. One interviewee has characterised the City of Salisbury as ‘run like a business’.

City of Playford
The City of Playford has a population of approximately 70 000 (Department of Transport and Regional Services (DOTARS) 2003, p.4). The City of Playford came into existence in 1997 through the amalgamation of the Councils of Munno Para and the City of Elizabeth. Prior to amalgamation, the City of Elizabeth15 was (geographically) a small council area with a population of around 35 000 (Marsden 1986; Forster and McCaskill 1986). Playford lies immediately to the north of the City of Salisbury. In a region noted for above average rates of social disadvantage, sections of Elizabeth itself are seen to be particularly disadvantaged. (Department of Transport and Regional Services (DOTARS) 2003, p.2).

As noted earlier, Elizabeth was established in the 1950s and modelled on British ‘new town’ principles. Elizabeth was a sophisticated expression of the State’s industrialisation policies which had begun in the 1930s. However, during the period of economic ‘restructuring’ following the post-war ‘long boom’, demand for industrial labour diminished. Elizabeth — and other areas in metropolitan Adelaide which had provided convenient labour pools for strategically located industries — became instead sites of concentrated unemployment and disadvantage (Marsden 1996, p.129; Rich 1996, p.113). In the Adelaide context, Elizabeth has arguably been the most extreme example of this rather bleak scenario (Peel 1995). The challenge posed by this unintended legacy of the Playford area has become a primary motivating factor for policy-makers in both State and Local government. Key points of interest in relation to the City of Playford include:

- Elizabeth city centre — The Elizabeth Centre is one of five primary “regional metropolitan centres” in metropolitan Adelaide (see Town Planning Committee 1962, pp.172-3; Planning SA 2003, p.vii ; Planning SA 2005, p.2). The main shopping area has recently been substantially refurbished.

- Public and rental housing — the City of Playford has significantly higher than average levels of public housing rental, as well as significant numbers of former public housing properties now rented privately. At the time of writing, preliminary plans for significant new housing developments and for the redevelopment of existing residential areas are well under way.

- Horticulture — Playford has significant food production and processing operations.

- ‘Enterprise culture’ — like Salisbury, Playford is keen to develop its business base, and has several initiatives in train to facilitate this. Until recent times and under the terms of its original establishment, much of the commercial land in Elizabeth was “encumbered” and changes of land use presented significant difficulties. Playford has established its own industrial park at Elizabeth West, and is hence in competition with Salisbury for

15 The severance of the City of Elizabeth from the District Council of Salisbury occurred in 1964 (Peel 1995, pp.100-101).
business activity. Innovative work on industrial clusters is being done by Playford Council’s ‘Industrial Strategist’ Rodin Genoff (Roberts 2005).

**Town of Gawler**
The Town of Gawler is 40km from the Adelaide CBD, immediately to the north of the City of Playford. Gawler has a population of over 19,000 (Town of Gawler 2005, p.8). In planning terms Gawler falls within metropolitan Adelaide though outside the main metropolitan growth boundary. Gawler is a residential, shopping and service centre, with important school facilities servicing both local residents and rural communities further north. Gawler offers urban fringe living within comfortable travelling distance of the growing employment markets in the region. Anticipated expansion of the defence and manufacturing industries in the Salisbury and Playford areas, together with planned infrastructure developments in the North suggest that Gawler’s population is likely to grow significantly over the next decade.

**Regional Cooperation**
At different times over the last 15 years, a number of regional-level cooperative bodies have operated in the northern region. Among the more significant of these have been The Northern Adelaide Development Board (NADB), the Northern Adelaide Waste Management Authority (NAWMA), Northern Adelaide Regional Organisation of Councils (NAROC), and a regional Cemetery Trust. With the exception of NAWMA, these bodies have either been disbanded or, in the case of the Cemetery Trust, transferred to private hands. NAWMA continues to function as a commercial operation run by the three northern councils. The demise of NADB was somewhat tortuous, and continues to reverberate in the regional context.

**RESEARCH FINDINGS**
The material presented above gives some indication of the environment into which the State Government’s Office of the North was ‘projected’ in late 2002. Salient points about the region include:

- the presence of a number of key industries – automobile, manufacturing, horticulture, and defence;
- social disadvantage – the joint legacy of the industrialisation policies of an earlier era, and economic restructuring in the wake of the ‘long boom’;
- potential for rapid economic growth;
- complex and competitive political/economic environment – ‘entrepreneurial’ councils, political and policy activity from both State and Federal governments.

Briefly outlined below in timeline form is some of the information which has been gathered to date on the State government’s Northern Region policy. Research to this point has been through study of the limited range of available documentary materials, and through personal interviews conducted between late July and early November 2005, with individuals:

a) who are or have been directly or indirectly involved with the work of the Office of the North; or

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16 In 2003 Playford Council successfully facilitated/secured the location of auto parts supplier Hirotec to Playford’s industrial park at Playford West, some distance away from its primary client GMH (Holdens), and outside the designated GMH ‘supplier park’, which is in Salisbury Council area. This decision had significant ‘supply chain’ implications for Holden. Views differ on the background to the Hirotec decision, but it is widely held that Holden’s displeasure was communicated very clearly to the State Government, with reverberations at the local level. Fallout from the Hirotec ‘saga’ continues to colour relations in Adelaide’s North.

17 The Northern Adelaide and Barossa Catchment Water Management Board (NABCWMB) is another important regional body, covering the three northern region councils, as well as areas further to the north.
b) whose work impinges on the regional environment in which the Office of the North is operating.18

Office of the North Timeline
- **March 2002** State election — Prior to the 2002 State Election, the Labor Party announced its intention to develop specific policy initiatives for the northern region (Australian Labor Party 2001).19 Adelaide’s north is a Labor stronghold, and once government had been formed there were several key Ministers from the region, including Premier Mike Rann and Treasurer Kevin Foley. There was an awareness in government circles of the need to address the particular challenges and opportunities facing the North, including the difficult social problems of the region.

- **November 2002** Office of the North established — The Office of the North was quietly set up in November 2002. The Office was placed within the Department of Transport and Urban Planning to minimise the potential for tension between Ministerial ‘line department’ responsibilities and the interests of elected members from the region. An acting director was appointed to the Office.

- **May 2003** — In May 2003 the Minister for Transport and Urban Planning revealed that the Office of the North “had been established” in his Department, with the former acting director Peter Sandeman, now taking the permanent position of director.

- **July 2003** Northern Partnership agreement circulated and signed — A Northern Partnership MOU was circulated in July 2003, and signed by the Mayors of the three Northern area Councils and by Premier Rann. The Northern Partnership had a comprehensive remit to “promote and support the relationships between State Government and its agencies and the northern councils … promote and support regional initiatives … [and] to lead economic, social and environmental development within the region”. Along with an ambitious ‘triple bottom line’ agenda the MOU specified a rather complex structure for the Northern Partnership, which included the Northern Ministers and an ‘Elected Members’ Forum’.20 Geographically, the Office of the North was located close to the boundary between Salisbury and Playford Councils. At this stage, Jay Weatherill (Planning Minister) and Lea Stevens (as lead Minister for the North) had joint responsibility for the Office of the North. (Figures 3, 4)

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18 Interviewees to date have included State government Ministers, elected representatives from the three levels of government in the region, local Council CEOs, State government officials, private consultants, and others with particular responsibilities, knowledge or experience in relation to the region.

19 Proposals along similar lines for Adelaide’s southern suburbs were also advanced, with a ‘Minister for the Southern Suburbs’ to be appointed. This position was subsequently allocated to then Environment Minister John Hill.

20 The forum was to include Mayors of the Northern Region councils as well as State and Federal politicians.
Late 2003 - Late in 2003 processes were set in motion to defund the Northern Adelaide Development Board (NADB). NADB had been jointly funded by the three northern councils and the State government for fifteen years or more. The City of Salisbury had been contributing around $100,000 p.a. to NADB. Salisbury felt that it was not receiving due return on its investment, and withdrew support for NADB. Coincidentally at around this time, Playford secured the location of the auto components supplier Hirotec to its industrial precinct at Elizabeth West. Hirotec’s decision to locate away from Salisbury’s ‘supply park’ for Holden generated political ructions in the Government, and this helped to seal the fate of NADB. The defunding of NADB was to be completed by June 2004.
March 2004 Cabinet reshuffle — In March 2004, Jay Weatherill left the planning portfolio to take on Housing and Community Welfare. A member of the Northern Ministers group, Trish White, took on the Planning portfolio, and simultaneously took over the ‘lead Northern Minister’ role. Trish White thus took on the two ‘heads’ of responsibility formerly shared between Jay Weatherill and Lea Stevens. It appears that Trish White was not particularly active in her new roles, and the profile of the Office of the North in Government circles was diminished as a result.

June 2004 Northern Adelaide Economic Development Alliance (NAEDA) proposal — In June 2004, a proposal for a new economic development body for the northern region was presented to Cabinet. The proposal had been developed by the Office of the North and others, including at least one private consultant and a senior official from the Department of Trade and Economic Development (DTED). The establishing of NAEDA was linked to the withdrawal of State funding from NADB. Under the proposal, the Minister for Trade and Economic Development would nominate the membership of NAEDA.

Early 2005 Office of the North restructured and administratively repositioned — Early in 2005, new structural arrangements for the Office of the North were decided upon. Despite the Office of the North’s status as a ‘collaborative’ body, it appears that there was little consultation with either the northern region councils or the Office of the North itself in developing the new structure. NAEDA was established in DTED, the responsibility of Minister Paul Holloway. The membership of NAEDA would include:
- the three northern area CEOs;
- representatives from key State Government departments;
- a representative of the EDB;
– one local and one federal MP;
– a representative of the University of South Australia (UniSA); and
– eight industry representatives.

At the same time, the Office of the North was transferred along with the other ‘planning’ agencies to the Department of Primary Industries and Resources (PIRSA), also a responsibility of Paul Holloway. Under the new arrangements, NAEDA takes responsibility for economic development in the northern region, and the Office of the North continues to work on social issues such as health and education, housing etc. The environmental agenda for the north appears to have a reduced prominence. (Figure 5)

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**Figure 5: OTN/NAEDA organisational structure mid-2005 (unpublished)**

- June 2005 funding arrangements for NABEC and SBEC processed — In mid 2005, following unsuccessful attempts to broker a single small business development agency for the northern area, two new business support centres for the northern region were organised through NAEDA. These were the Northern Adelaide Business Enterprise
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Centre (NABEC) and the Salisbury Business and Export Centre (SBEC). NAEDA has identified four significant key projects to work on in partnership with the northern councils. NAEDA’s potential to function as an effective and sustainable regional economic development agency remains to be demonstrated.

PRELIMINARY CONCLUSIONS
At this point, a full analysis of the material presented, and of other material which has been gathered is not possible. However some preliminary comments are offered under headings below:

Difficulties with Documents
While individuals involved, in various capacities with NAEDA and the Office of the North have been generous in granting personal interviews, it has proved more challenging to gain access to documentation relating to the Office of the North. This may be due in part to uncertainty surrounding the Office and its role in the region, particularly following the structural changes of early 2005. The work of the Office crosses Departmental lines, engaging different levels of government. In an environment where ‘turf protection’ is an issue, it is possible that the Office finds itself to some degree outside of the full ‘protection’ afforded to initiatives whose work falls more neatly within the responsibilities of a particular Department. Perhaps political sensitivity in a pre-election environment has also been a factor. The implications of this for accountability of government warrant further consideration.

Competition and Cooperation
The State government’s decision to establish an Office of the North entailed entering an environment which was already politically complex. In addition to the northern region Councils, interested parties include local members of parliament at both State and Federal levels, and range of other institutions and entities, including the Federal Government’s Sustainable Regions programs, the Land Management Corporation (along with various partners), the Defence Department, and private sector interests, great and small. The two key local government entities in the region, Salisbury and Playford, are quite differently placed in terms of resources and challenges, and hence have reason to view invitations to collaborate differently. In simple terms, Salisbury is in a stronger position, and, it is generally agreed, less inclined to seek partnerships. Playford is in a weaker position and has a stronger incentive to collaborate.

True Partnership?
Despite the rhetoric of partnership, a number of sources have questioned whether a State government initiative can readily foster partnership at the regional level. There is a danger that new institutional arrangements can become a barrier to collaboration, and simply another level of complexity in an already complex environment. The Office of the North has had success in some areas of activity, including initiatives in education, and community networking. If Labor is successful in the 2006 election, it may be that the Office of the North will secure its place in the region.

Personalities
The importance of individual personalities to outcomes in a ‘network’ situation cannot be denied. Where trust and reciprocity are the currency, a personally abrasive style, a desire for control, or a penchant for politicking can all compromise the possibility of negotiations between agencies arriving at ‘win-win’ outcomes. In the environment of Adelaide’s north there are a number of strong

21 NABEC involves the State Government and the Councils of Playford and Gawler. SBEC involves the State Government and Salisbury Council. In this case as in others, Salisbury’s decision to ‘go it alone’ is seen by some in the region to arise from Salisbury’s insistence on exercising influence in proportion to its size.
22 See Note 12 above.
personalities. Outcomes in terms of wise strategic decisions which are in the best interests of the citizens of the region may well hinge ultimately on interpersonal relationships as much as on any formal arrangements for partnership.

**Fragmentation**
The multiplicity of agencies and of different partnering arrangements which are encountered in Adelaide’s North suggest that the dangers of fragmentation are real. Whether the Office of the North will have a role in reducing fragmentation, or become yet another fragment of the picture remains to be seen.

**Private Consultants**
In a situation where inter- and intra-agency cooperation is increasingly significant, there appears to be a growing role for private consultants in facilitating collaboration and partnering, both within and between agencies. A number of the consultants who have been involved in this kind of work in the North have previous careers in various positions in the public sector. This is yet another aspect of the ‘blurred edges’ of government which are intrinsic to the governance paradigm.

**The ‘Big’ Picture**
In considering the factors shaping the future of the Adelaide’s north it is important to note some of the ‘big picture’ factors. General Motors Holden is a giant presence in the region, and its strategic decisions on production can have a dramatic effect on the local economy — hence the political significance of Hirotec’s locational decision noted earlier. The burgeoning defence industry is another important part of the picture — South Australia is now representing itself as Australia’s ‘Defence State’, with car registration plates to match. South Australia’s successful bid, announced earlier this year, for the Air Warfare Destroyer (AWD) contract, the recent decision to relocate an Australian Army battalion in the Salisbury area, and the opening of a campus of Carnegie Mellon University will all contribute to development in this direction. With an open-ended ‘global war on terror’ underway, recent announcements of planned joint military operations between Australia and the USA in the Northern Territory (and later, perhaps, within South Australia), and rumblings about expanding uranium mining operations in this State, Adelaide can no longer be seen as a quiet backwater. In the not very distant past, Adelaide was known as ‘the Athens of the South’. In the future, perhaps, ‘Sparta of the South’ will be a more appropriate descriptor.  

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23 I owe this insight to Richard Leaver, School of Political and International Studies, Flinders University.
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