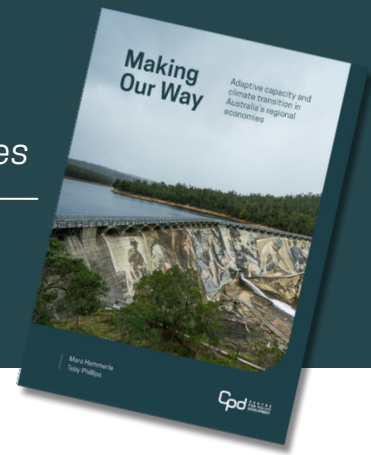


# Making Our Way

*Adaptive capacity and climate transition in Australia's regional economies*

## AT A GLANCE



### What is this report about?

*Making Our Way* is a report from the Centre for Policy Development's sustainable economy program, written by Mara Hammerle and Toby Phillips.

The report looks at how government and communities can build locally-led responses to climate transition "from the ground up". This approach will increase economic diversity, build resilience and deliver investments that take communities where they want to go.

The researchers measure adaptive capacity by developing and applying a multi-dimensional analytical framework to eleven Local Government Areas (LGAs) affected by climate transition.

The work uses the findings to recommend ways for governments to work together with community leaders to achieve the most appropriate response for each local area.



### What does it recommend?

- Local transition plans that aim for resilience and adaptability rather than just new anchor industries;
- Transition responses built "from the ground up" with local communities
- Governments collaborating on realistic, ambitious plans for affected regions
- Local governments identifying strengths and weaknesses in adaptive capacity
- State and Federal governments providing funds, coordination and policy frameworks

### Why does this matter?

A just transition puts the people most affected at the front of the pack for jobs, opportunities and projects.

Simply replacing anchor industries is not enough. Transition measures must increase economic diversity so local economies are more resilient, support projects that build on community strengths, and be shaped by leaders on the ground.

Taking this approach at a local level will help diversify our national economy, making Australia more resilient to global shifts that result from addressing climate change.

Having common data, approaches and understandings between levels of government will equip them to work better, faster and more cooperatively with affected communities.

## What does the report tell us?

Applying the adaptive capacity framework to the eleven LGAs shows us the importance of tailoring transition plans to the strengths of the communities in question.

Common elements across all LGAs include low levels of economic diversity and reduced access to public services, areas that should be addressed as a priority.

Certain LGAs, such as Singleton and Collie, have relatively dynamic and innovative local economies, with good proximity to domestic markets, strengths that should be built upon and diversified. Other LGAs, such as those in the Pilbara and Central Queensland, may be less dynamic and disconnected from domestic markets, which suggests it will take more planning and support for new industries to thrive in these communities.

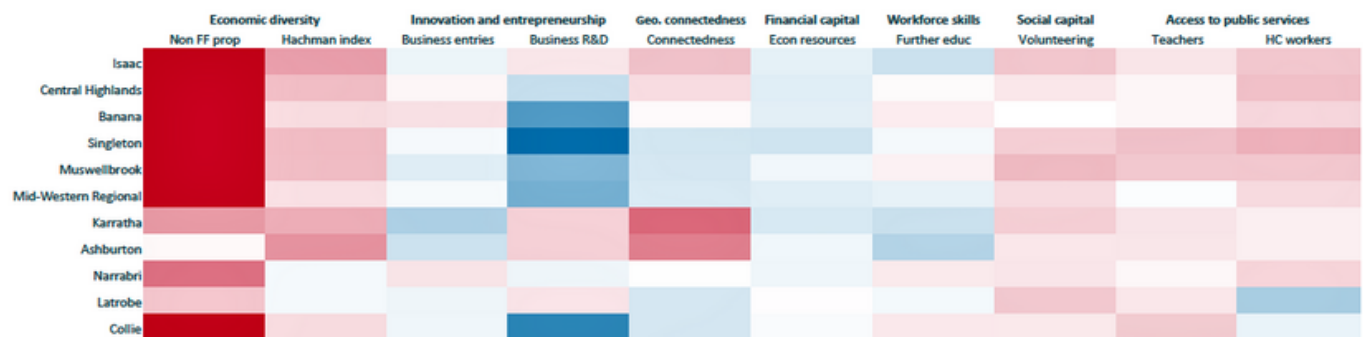
## Read *Making Our Way* at [cpd.org.au](http://cpd.org.au)



## What does the framework measure?

The framework measures adaptive capacity - how readily and easily a local economy can change. It has 10 indicators shared across seven dimensions.

These focus on building future industries (eg. entrepreneurship), investing in economic enablers (eg. geographic connection to markets), and ensuring communities are good places to live (eg. building social capital).



Notes: Colours indicate the number of standard deviations away from the Australian average for non-major-city LGAs.

Blue indicates positive standard deviations; Red indicates negative standard deviations.

Maximum colour intensity is reached at +/- 4 standard deviations. See the case studies for more information.