

Inquiry into Regional Australia

November 2019



The CNSWJO member councils are; Bathurst Regional, Blayney Shire, Cabonne, Cowra Shire, Forbes Shire, Lachlan Shire, Oberon, Orange City, Parkes Shire and Weddin Shire. Associate members are Central Tablelands Water, Department of Premier and Cabinet (DPC) and Regional Development Australia, Central West.

www.centraljo.nsw.gov.au



Central NSW Joint Organisation
PO Box 333
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Chairman: Cr John Medcalf, OAM, Mayor, Lachlan Shire Council

Reference jm jb 191104
Enquiries: Ms J Bennett: 0428 690 935

4 November 2019

Mr Tony Pasin MP
Chair
House Select Committee on Regional Australia
PO Box 6021
Parliament House
Canberra ACT 2600

Email : regional.reps@aph.gov.au

To whom it may concern,

Re: Inquiry into Regional Australia

By proclamation dated 11 May 2018 the Central NSW Joint Organisation of Councils (CNSWJO) was created. The members are Bathurst, Blayney, Cabonne, Cowra, Forbes, Lachlan, Oberon, Orange, Parkes and Weddin. Central Tablelands Water is an Associate Member. The Board also values working with key stakeholders, importantly the NSW Government.

Under the amendments to the Local Government Act to enable Joint Organisations, the CNSWJO must have a Statement of Strategic Regional Priority. The priorities resolved by the Board to be progressed through advocacy, intergovernmental cooperation, prioritisation and other activities are:

- Inter-council cooperation
- Regional Prosperity
- Transport and infrastructure
- Regional Water

The region's vision is to be a vibrant, prosperous and welcoming place of seasonal landscapes that is recognised in the nation for its agricultural heart.

The region's policy position is that we need to do things differently if we are to get a different result and there is already activity in the region moving in that direction. Alignment with and support from other levels of government, preferably in some type of genuine collaboration, would be welcomed.

As part of the transition from Centroc to the Joint Organisation a Strategic Plan was to be developed. Through various meetings and consultations, the region produced a Plan that seeks to align the efforts of all tiers of government to deliver our communities priorities.

Please go to this link to find the Strategic Plan for the JO.

<https://www.centraljo.nsw.gov.au/content/uploads/FINAL-Centroc-JO-Strategic-Plan-reduced.pdf>

We understand the terms of reference for this inquiry to be:

- a. Examining the effectiveness of existing regional service delivery and development programs;
- b. Examining the contribution and role of regional Australia to our national identity, economy and environment;
- c. Promoting the development of regional centres, cities, towns and districts including promoting master planning of regional communities;
- d. Promoting private investment in regional centres and regional infrastructure;
- e. Examine the key drivers for unlocking decentralisation opportunities for both the private and public sectors;
- f. Promoting the competitive advantages of regional location for businesses;
- g. Investigate the development of capital city size regional centres in strategic locations and the benefits this offers regional cities, capital cities, the Australian economy and lifestyle;
- h. Examine the potential for new developments, towns and cities to be built in regional Australia;
- i. Examining international examples of nations who have vast and productive regional areas, which are sparsely populated;
- j. Examining ways urbanisation can be re-directed to achieve more balanced regional development;
- k. Identifying the infrastructure requirements for reliable and affordable health, education, transport, telecommunications, clean energy, water and waste in a new settlement of reasonable size, located away from existing infrastructure; and
- l. Consider other measures to support the ongoing growth and sustainability of regional Australia.

This region welcomes the opportunity to provide input on matters affecting Regional Australia.

a. Examining the effectiveness of existing regional service delivery and development programs

This region seeks to do business differently with the State and Federal governments. This region is a staunch supporter of the growing strategic framework for regional growth in NSW and keen to work with other levels of government on its optimisation including:

- a. Supporting the consistent application of the State planning boundaries and seeking to have Federal initiatives, for example the CSIRO work on freight mapping, aligning to these boundaries.
- b. Supporting continuous improvement of the Central West and Orana Regional Plan developed by the State and seeking to have appropriate Federal support for the priorities identified; and
- c. Support the model of direct funding to Councils through the Regional Economic Development Strategies and seek for these to be optimised; and
- d. Support the over-arching Regional Economic Vision set by the State and seek to have Federal recognition of the priorities identified.

This region is also supportive of setting aspirational targets and taking a pragmatic place-based approach to planning and service delivery. To achieve this there needs to be sufficient delegation in the region to support local decision making and program implementation. Doing business differently, for example in activation precincts like that in Parkes is also welcomed.

We seek metro-comparable outcomes for Central NSW communities in connectivity, health and education recognising that differences of approach will be required. Too often Local Government becomes the service

provider of last resort as either the private sector or other levels of government reduce their service levels. Health is a case in point where the more remote the Council the greater the service provision that is required.

This region is keen to work with all levels of government on the provision of water. There needs to be more storage and a change in how the Murray Darling Basin Plan is administered to sustain growth.

There is an opportunity for State and Federal agencies to leverage the Community Strategic Planning process mandated for Local Government in NSW. Imagine a regional NSW that is well informed about their demographics, health, education, environment, economic indicators and recidivism to empower them to make better decisions for themselves and their communities. This is achievable through a more collaborative and accessible approach to data leveraging the Community Strategic Planning process.

There are a number of programs this region is keen to optimise in the interests of regional communities. Fundamentally we seek two things – a return to higher funding levels for Local Government and more flexibility in the funding framework. Areas in the funding framework we would like to work with the Federal Government on include:

- Programs that directly fund Councils, including through Joint Organisations, rather than the model that sees administration through the State that ultimately sees regional NSW under serviced
- Federal Assistance Grants
- Roads to Recovery
- Mobile Blackspots where we are keen to leverage innovative technology
- Smart Regions with a focus on energy and connectivity
- Drought funding – including greater flexibility and for local drought coordination
- Leveraging Inland Rail

b. Examining the contribution and role of regional Australia to our national identity, economy and environment

Central NSW is a diverse area that covers around 47,000km² with a population estimated to be 157,686 persons.¹ Infrastructure Australia identified in the Australian Infrastructure Plan that the Central NSW region was a significant contributor to the national economy.² Central NSW was second behind the Hunter area in the assessment of NSW based regional growth areas and seventh overall in the nation.³

This region is home to Banjo Patterson, Henry Lawson, Australia's only Chinese bushranger and 1130 items of significance on the National Trust register. Primarily Wiradjuri country there is significant aboriginal heritage in the region.

The region's natural heritage includes Jenolan Caves, various national parks, the Lachlan and Macquarie river systems, storages including Wyangala, Carcoar, Oberon and a number of urban water storages. Of note is the pattern of settlement and this along with its proximity to Sydney, Canberra and ports has seen a growing tourism offering as well as sound locational preference factors to support any decentralisation policy by both the State and Federal Governments.

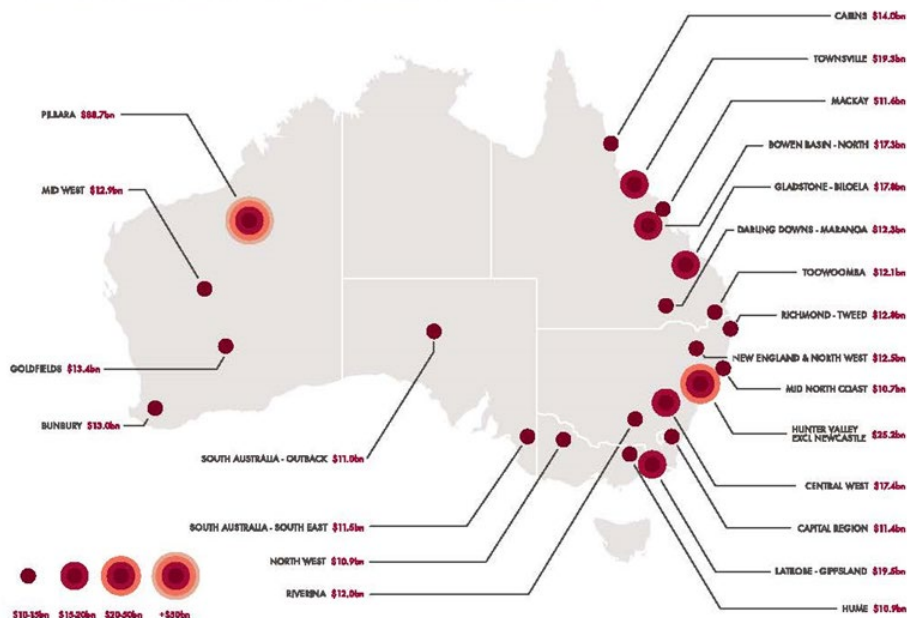
¹ Office Local Government – Council statistics – based on 2016 Census data. Accessed December 2018

² Infrastructure Australia, Australian Infrastructure Plan 2015 cited in the Central NSW JO Strategic Plan page 9

³ Ibid

Having said that, Central NSW does not have a “brand” like say the Snowies or the Hunter. This region would argue that it is consistently overlooked in the strategic and funding framework and is considered as “part of the rest of the west of NSW.”

Figure 4.1: Projected gross regional product for major regional centres in 2031



Source: Australian Infrastructure Audit, 2015

c. Promoting the development of regional centres, cities, towns and districts including promoting master planning of regional communities

NSW has a growing strategic planning framework that, if retained and leveraged by the Federal Government, will offer better advice into master-planning. This includes:

- The NSW Regional Economic Vision and its subset Regional Economic Development Strategies based on Functional Economic Regions;
- Regional Plans based on Dept of Planning boundaries in NSW where these are the centre piece of strategic work in regional NSW;
- Special Activation Precincts;
- The emerging Regional Transport Plans and Water Strategies; and
- The role of Joint Organisations and Regional Leadership Executives where this region has a MoU with Regional Development Australia, the only one of its kind in Australia.

Support in the funding framework for infrastructure, services and promotional programs for regional communities is also worthwhile. This region is highly supportive of the work undertaken by the Regional Australia Institute (RAI) in this area.

d. Promoting private investment in regional centres and regional infrastructure

This region would argue that there needs to be adequate public investment in the basics like transport, water and telecommunications. Concepts like the Special Activation Precinct in Parkes are supported. This needs to be enabled by the legislative and funding framework.

A current area of interest is the Murray Darling Basin Plan where there is a lot of discussion around its administration and whether the nation has got the settings right, particularly in the context of drought.

Ultimately, good data, consistency in strategy with implementation including governance and funding arrangements is only just beginning in Central NSW. There is the opportunity to recognise the consistency of Local Government as a key platform for driving positive change rather than setting up and dismantling other entities.

e. Examine the key drivers for unlocking decentralisation opportunities for both the private and public sectors

There has been discussion for decades ranging from zonal taxation through to funding programs that increase locational preference factors.

f. Promoting the competitive advantages of regional location for businesses

An all of government aligned and strategic approach to promoting locational preference factors would be welcomed.

g. Investigate the development of capital city size regional centres in strategic locations and the benefits this offers regional cities, capital cities, the Australian economy and lifestyle

Canberra is an example of a city that was developed in a strategic location. This region supports the development of its existing centres rather than starting from scratch and sees tremendous value in the reduction of congestion in Sydney and Melbourne by encouraging businesses to locate regionally.

h. Examine the potential for new developments, towns and cities to be built in regional Australia

In February 2018 a proposal was provided to the then Centroc Executive. The proposal was for a new and modern inland Regional City in the Central Tablelands of NSW.

The Board resolved to support the needs for development of existing settlements, noting the congestion in Sydney and its corollary opportunities for growth in Central NSW.

i. Examining international examples of nations who have vast and productive regional areas, which are sparsely populated

This region would welcome such an examination and notes that broader conversation about growth in regional Australia is typically about population growth rather than economic growth.

The Dutch have shown that it is possible to double output with half the water resource with the exponential growth in protected agriculture – this has potential in, for example, the Lachlan Valley but would require enablement through policy change. Work has commenced in making the case for this type of change and this region would welcome the opportunity to present to the Committee in this regard.

j. Examining ways urbanisation can be re-directed to achieve more balanced regional development

For every additional 100,000 Australians who choose to live in small cities rather than the capital cities, the RAI estimates that around \$42 billion dollars is be released into the economy over the next 30 years through reduced interest payments on mortgages alone. Released back into the consumption economy, this is would represent a considerable national economic stimulus.

- Small city growth can also play a role in reducing congestion problems in Australia's major cities.
- The avoidable cost of congestion in Australia's capital cities was \$16.1 billion in 2010. This takes into account both the value of private and business time, as well as vehicle operating costs and air pollution costs.
- Tourism is a major economic driver, people visit before they relocate.

k. Identifying the infrastructure requirements for reliable and affordable health, education, transport, telecommunications, clean energy, water and waste in a new settlement of reasonable size, located away from existing infrastructure

This region has not undertaken any work in this regard.

Thank you again for the opportunity to provide feedback into this submission. Please find attached correspondence from the RDA Central West which the CNSWJO fully supports. We would be very keen to talk more with the Committee about doing business differently citing the example of leveraging the augmentation of the Wyangala Dam to drive growth in the Lachlan Valley.

If you require further information or clarification on comments in this submission, please do not hesitate to contact me on [REDACTED]

Yours sincerely,

[REDACTED]

Jennifer Bennett
Executive Officer
Central NSW Joint Organisation (CNSWJO)

enc- 30 October 2019, RDA Central West response on inquiry into Regional Australia