



9th July 2008

The Committee Secretary
 Standing Committee on Infrastructure, Transport, Regional Development and Local
 Government
 PO Box 6021
 House of Representatives
 Parliament House
 Canberra ACT 2600

Dear Sir/Madam

Inquiry into New Regional Development Funding Program

I am pleased to be able to respond to the above enquiry and to address the Terms of Reference as provided.

Introduction

The Riverina Regional Development Board (RRDB) is one of 13 Regional Development Boards in NSW that operate as Incorporated Associations and that have contractual agreements with the NSW Department of State and Regional Development (DSRD). The Riverina Board is committed in the contract to a range of performance obligations that include providing advice to the NSW Government and to the Minister for Regional Development on important regional development issues.

The Board is provided with an annual administration grant to enable the Board meet reasonable operation expenses.

Projects undertaken by the Board in accordance with its Strategic Plan 2004-2010 and its annual business plans are typically funded by grants from State, Local and Federal Governments and the private sector. Frequently funding is provided from partnerships of the above.

The Board's jurisdiction comprises 16 Local Government Areas across 76,000kms with a regional population of around 170,000 including the regional cities of Wagga Wagga and Griffith.

The Board works in close collaboration with other regional entities including the Riverina Area Consultative Committee (of which the writer is a member), Riverina Eastern Regional Organisation of Councils (REROC) and Riverina and Murray Regional Organisation of Councils (RAMROC).

It is true to say that the spirit and practice of strong collaboration exists within the region across all agencies.



Riverina Regional Development Board

48 Fitzmaurice Street (PO Box 1156) Wagga Wagga NSW 2650 Tel 02 6921 4112 Fax 02 6921 0780

email: riverinanatural@rrdb.com.au website: www.rrdb.com.au ABN 32 969 089 191

Supported by NSW Department of State and Regional Development

Terms of reference

1) Provide advice on future funding of regional programs in order to invest in genuine and accountable community infrastructure projects.

Firstly, it is considered important to define the terminology 'community infrastructure projects'.

While it is readily acknowledged that a dedicated funding regime is necessary for built infrastructure-roads, bridges, telecommunications etc .to enable regional communities to be competitive and to capitalize on regional productivity, it is also important to the Riverina to build and develop social infrastructure.

The Board recognizes the need to build social infrastructure and has embarked on various funded projects that have involved the appointment of project officers to drive the various projects. One good example of this is the Board's **C Change Bureau** project that seeks to attract skilled people to live and work in the Riverina and to enjoy the country lifestyle. The project involves a dedicated program of promotional events in Sydney, Melbourne and recently New Zealand and the project officer manages a branded display stand featuring monitors, brochures, banners etc depicting lifestyle and employment opportunity in the 17 participating local government areas.

Funding for a project Coordinator was obtained under Regional Partnerships while other funding was obtained from the NSW Department of State and Regional Development's Innovation fund as well as funding from the 17 Councils. While the Regional Partnerships Funding was very valuable to enable the project to go forward there were issues with lengthy approval time (almost 6 months) when the State and Local authorities had approved their funding components in a matter of weeks. The commencement of the project was delayed by this long approval time and very frustrating to the Board.

Nevertheless, 1 year of funding for the project coordinator was approved and received and the project commenced in July 2006. The NSW Department of State and Regional Development funded year 2 and has recently approved funding for year 3 of the program. Please view relevant project websites www.cchange.org.au and www.virtualcareersexpo.com.au, click on the company/industry tab and scroll through alphabetically to *Country Change Bureau* to view this excellent virtual stand.

The Board has also embarked on successful leadership programs and addresses skill shortages through its role as a Gazetted Regional Certifying Body, providing certifications for various classes of skilled migration applications and sponsorship for skilled independent category of migrants. In the main, funding for a dedicated Skilled Migration project Officer has come from DSRD as the Federal funding programs have been considered too slow and too onerous in addressing realistic project objectives and time frames.

The Board would like to see a commitment of funding to support and enhance regional competitiveness to enable the regional economy grow at the local level. This may involve the funding of personnel-the social infrastructure-to drive strategic projects for the benefit of the region. Funding could be prioritised for projects that demonstrate innovation and/or strategies to diversify local economies to assist in their growth and to lessen the reliance of rural and regional communities on traditional agricultural pursuits. This is especially important in relation to the effects of drought and the expected long term effects of climate change and global markets.

These are examples of areas in which a regional development funding program could make a positive contribution to building community social infrastructure as well as traditional built infrastructure. More often than not, it's the people we need to sustain the region.

The Board believes that a dedicated unit should be allocated to deal with any new funding program applications. Stories abound of lengthy approval delays once an application leaves the Area Consultative Committee. Delays were experienced at the Regional Departmental office level as well as significant delays with the previous Ministerial consideration protocols.

Economic development professionals in the region recommend a process that would enable small grants under \$50,000 to be dealt with at a local (Regional Department) level and that applications for such funds could be submitted on a needs basis rather than a funding round.

Projects that can demonstrate matching funding from other sources (including cash and kind) should also be able to be submitted at any time. The reason for this, as demonstrated earlier with the Board's C Change Bureau project, is that it is difficult to maintain a commitment from project funding partners where an application to an Australian Government program takes a significantly longer time to be considered, as is the past experience. This is particularly important where commitment at the local level is clearly demonstrated.

Regionally significant projects should be fast tracked where there is demonstrated partner funding support and if a dedicated unit within the appropriate Government Department can deal with such applications then much more favourable and timely outcomes can be achieved by all parties.

It is acknowledged that it may be necessary to have high value applications restricted to dedicated funding rounds, say 4 per annum.

2)Examine Ways to minimize administrative costs and duplication for taxpayers.

It is recommended that a dedicated unit within Government should be established to deal with regional funding applications. This would streamline applications and remove the lengthy delays experienced in the past and enable applicants to retain the integrity of their partner alliances.

Regional Development Boards and other established economic development entities generally work to well-documented Strategic or other plans. Where such an entity can

demonstrate that an application for funds is made in accordance with good planning principles they could be fast tracked. Consideration could also be given to applications where prior approval at a State or Local Government level has been given contingent upon partner funding also being approved by the Australian Government. Generally stringent application criteria are considered by these other levels of Government and perhaps their approval processes could be taken into account when the application is with the relevant Australian Government Department.

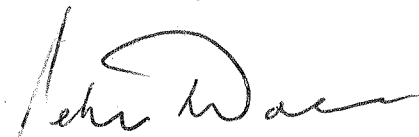
3) It is contended that Regional Development Funding for commercial entities should not be available through any successor program to Regional Partnerships. Any commercial activity support should be through AusIndustry.

4) No additional comment

Finally, the composition of a new Regional Development Funding program should be considered and developed in a complementary way with existing state funding programs. Typically, valuable projects are only able to be implemented where there is partner funding and the Australian Government funding protocols could consider the various state programs to ensure compatibility and vice versa. This collaborative approach to regional project funding will encourage a more concerted effort by applicants to seek matching funding where necessary.

Thank you for the opportunity to make a submission to the inquiry.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Peter Dale', written in a cursive style.

Peter Dale
Executive Officer