



River Road
PO Box 269
Dareton NSW 2717
Australia

Auscitrus

ABN 39 706 447 014

SUBMISSION 17

TM

Phone: 61 3 5027 4411
Fax: 61 3 5027 4744
Email: contact@auscitrus.com.au
www.auscitrus.com.au

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

Thursday, 12 June 2008

Submission to Inquiry into a new Regional Development Funding Program

The Australian Citrus Propagation Association Incorporated (trading as Auscitrus), a not for profit organisation dedicated to the improvement and protection of Australia's citrus genetic resources, received funding through the Federal Governments Regional Partnerships program to assist with the development of a citrus genetic foundation orchard and associated infrastructure in Dareton, NSW.

As a result of this funding, this development has been almost completed, using world's best practices in the citrus and nursery industry, and is a showcase for the Australian citrus industry. It has provided income and employment for a number of local regional businesses and staff, and will continue to inject funds into the region well into the future through the ongoing production and sale of citrus seed and budwood. This is a national facility, operating in a regional irrigation district.

Without the additional funding from Regional Partnerships it is unlikely this facility would have been developed to the standard it now is. Auscitrus used a large amount of its own fund reserves (returning past profits back to the organisation as per the Auscitrus constitution), along with input from other industry sources, but the additional funding from the Regional Partnerships program enabled the facility to be completed in a more rapid time frame and to a higher standard.

The assistance of the local Sunraysia Area Consultative Committee was greatly appreciated and invaluable. We were very pleased with the manner in which this operated, and having the local SACC office to facilitate the initial funding was, we believe, essential.

So in response to the request for comments to be submitted to the enquiry:

1. Please provide your thoughts on future funding of regional programs in order to invest in genuine and accountable community infrastructure projects;

Regional areas desperately need a source of funding *specific to regional needs*. Regional areas are often limited in their ability to attract commercial development due to a smaller and sparser population, and this subsequently limits the amount of cash available for significant developments. Even smaller developments are at a disadvantage as the availability of large business able to sponsor these developments is not as common as in metropolitan areas. So without an injection of funds to develop and maintain infrastructure, organisations will tend to shift away from these areas, to areas where funding is more available, or simply disappear altogether. This starts a downward spiral, as there is a compounding effect on available funds in the community.

The Regional Partnerships programs was a major benefit to Auscitrus as a not for profit organisation. It has allowed us to develop our infrastructure in Dareton, and subsequently maintain our involvement in this community.

So looking forward, we feel it is essential that any future funding program is at least partially managed or facilitated by a *local regional body*, such as SACC has done in the past. Local people in organisations like SACC understand the requirements of regional communities, and have an understanding of how best to distribute the funds for maximum community gain. Many regional organisations do not have the expertise to submit applications to funding bodies, so without a local input such as this is it is possible that deserving projects will miss out on funding.

2. How should the Federal Government design regional programs in a way to minimize administrative costs and duplication for taxpayers;

We believe the best way to minimise administrative costs is to have a large part of the application process done by a local body. There is no substitute for being able to walk into a local office, speak to the person facilitating the grant, and resolve any problems with the funding application. While most people have access to email, resolving such issues from a distance would be time consuming at best, and would most likely lead to additional administrative workload overall as applications need to be resubmitted due to misinterpretation of the requirements. A difficult part of our recent funding process was the inability of the DOTARS staff managing the grant to fully understand exactly what we were doing. This was not their fault as they weren't expert in our field, and I must commend them on the effort they made to understand how we operated and why. However, I believe it is probable that a local person would better understand what we do (technically), as they are exposed to similar fields of work through living and working in a horticultural region.

Once the project is up and running it would be good to have more local involvement in the process also. While the staff at DOTARS who managed our grant were very helpful and professional, it would have been better if we could have had more frequent contact. This is difficult when the staff are located several hours drive away from our development. An office in Mildura would have been ideal.

Again, I want to stress that I have been very happy with the performance of everyone involved in the grant we received, but I believe there is scope for improvement by increasing the local input into the entire process.

3. Examine the former government's practices and grants outlined in the Australian National Audit Office report on Regional Partnerships with the aim of providing advice on future funding of regional programs;

Without being expert in this field I am reluctant to comment at length on the government practices outlined in the audit report, other than to say that in our experience the application and approval process was thorough, detailed, and carried out in a professional manner, especially when compared to other funding bodies we deal with. The issue of ministers approving projects in their electorates for political gain would only appear to be relevant in marginal seats, so I don't believe this applied in our case.

4. Examine the former government's practices and grants in the Regional Partnerships Program after the audit period of 2003-2006 with the aim of providing advice on future funding of regional programs

Again I am reluctant to comment in detail on the exact practices, however I would like to state that our organisation strongly believes that a funding program similar to the Regional Partnerships program should be continued into the future. Grants such as the one we have received have benefited a wide sector of the Australian community by facilitating the supply of disease free and true to type genetic citrus material to nurseries and citrus growers. These nurseries and growers are spread out over all of Australia as we are a national body, and even benefits metropolitan residents by providing nurseries access to disease free citrus varieties for the home gardener, including the importation of new varieties from overseas.

The development of this facility, funded through Regional Partnerships, has injected a significant amount of money into a regional area, and has shown a confidence in the future of the region that is desperately needed in the current climate of drought and low returns to growers.

Yours sincerely,

Tim Herrmann B. App. Sc. Ag
 Manager, Auscitrus
tim.herrmann@auscitrus.com.au


