

The Geelong Chamber of Commerce
Advancing Business and Industry in the Geelong Region

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14 July 2008

Michael Crawford
Inquiry Secretary
Regional Development Funding Program Committee
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr Crawford

Inquiry into Regional Development Funding Program

The Chamber has noted that a House of Representatives Committee is conducting an inquiry into a new regional development funding program and has called for submissions on this.

The Chamber is pleased to make its brief submission on such a program for the future.

By way of background, the Chamber was first involved with project funding programs under the Office of Labour Market Adjustment (OLMA) brought in by the Hawke Government in the early 1990s to help offset the unemployment caused by the reduction of tariffs, as a pro-active government move, in a number of industrial and manufacturing areas e.g. textiles, clothing and footwear, automotive, etc.

Because of the number of those industries operating in the Geelong region at the time, the region was significantly impacted by high unemployment in both of these manufacturing areas and the Chamber was pleased that the Federal government released significant funding under OLMA for community-based programs in badly affected areas like Geelong.

The Chamber then became directly involved in later programs funded under the Regional Assistance Program (RAP), and then, latterly, the Regional Partnerships Program.

The Chamber was pleased to be a successful funds' recipient in both of these two programs viz. RAP and Regional Partnerships.

From the Chamber's fairly close observation in OLMA-funded projects and its direct involvement as a recipient under RAP and Regional Partnerships programs, the Chamber noted that all funded programs, that it was aware of, were definitely worthwhile and were beneficial to the Geelong region.

Further, because the projects were formulated and developed by community-based organisations, and were subsidised by the community organisations directly involved, they delivered far more benefits and outcomes than would have been the case with funds given directly through Departments and government sources with no additional funding required and no direct community involvement.

Again, because the community organisations actually devised, and were responsible for, their own programs, they were very carefully and prudently delivered and full accountability was accepted by the organisations as a matter of course.

Inviting community organisations to submit their own programs for funding approval brings out a huge range of innovative projects and the support given by the recipients virtually guarantees that stated outcomes will be delivered at a high benefit/cost ratio.

In the Chamber's case, Federally-funded projects under RAP and Regional Partnerships program have delivered projects over the years that have been beneficial to small businesses that would not have been recognised by other organisations.

A definite case in point is the Chamber's last project, under the Regional Partnerships Program, titled *Geelong Region Business Connections (Welcome Pack) Program* where a considerable proportion of the project funding (\$94,000 of \$244,000 total project cost) was found by forty-two local businesses operating in Geelong to act as a suppliers' network to assist new businesses wanting to set up new businesses in Geelong.

Some 20 new businesses were set up employing 240 new people in the Geelong area! This was heralded by the Federal Department as a "trail blazing" project from every aspect!

Further, these local programs and projects need to be first considered by a local organisation, such as the Geelong Area Consultative Committee, so that the local claims can be verified and the needs and probable outcomes are properly established before the project is finally approved.

From the Chamber's viewpoint, it is abundantly clear that, for the Federal government to devise a program to assist regional projects, the following points are important:

- Applications need to be open to community-based organisations and "not-for-profit" groups.
- Innovative programs are best devised by independent and business-based or community-based organisations.
- Each project needs to have financially improved outcomes through local contributions.
- Each project needs to be properly vetted first by a local organisation, such as the Geelong Area Consultative Committee, which will quickly establish whether the project will be supported locally and should be supported for Government funding.
- Full accountability needs to be an integral part of each project.

The Chamber submits these points to the Committee for its consideration.

About the Geelong Chamber, it has, as its primary roles, the fostering and advancement of commercial and industrial activity and being the effective and independent voice of business for the Geelong region.

The Chamber is a totally independent. non-profit business organisation and has operated continuously since its establishment in 1853 and represents all business and industry sectors in Geelong.

It is non-political and is funded solely by members' subscriptions and is answerable only to its members - currently 700 - who are drawn from a wide diversity of large, medium and small business enterprises and organisations operating in Geelong, and include, for example, Ford Australia, Alcoa, Shell Refinery, Deakin University, Barwon Health, City of Greater Geelong, etc., to individuals and it speaks on their behalf.

I am happy to answer any queries which may arise from this submission.

Yours sincerely



Lawrie Miller
Executive Director