

*Hunter Economic
Development Corporation*

4 July 2008

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The Secretary
Standing Committee on Infrastructure, Transport,
Regional Development and Local Government
House of Representatives
Parliament House
CANBERRA ACT 2600
Email: itrdlg.reps@aph.gov.au

Dear Mr Crawford

Re: "Inquiry into a new regional development funding program"

Your letter dated the 23 May 2008 highlighted four areas of terms of reference that you were seeking advice and information from relevant organisations to assist with the inquiry.

The Hunter Economic Development Board (HEDC) is the peak advisory body to the NSW State Government on matters of economic development. There are thirteen NSW State Boards in total.

HEDC facilitates the delivery of economic development strategies for the region, markets the region for investment.

The HEDC works in collaboration with three levels of government and major stakeholders to encourage economic development in local Hunter communities.

The HEDC's activities include:

- Promote regional economic development initiatives in the Hunter Region through community co-operation, competitive marketing of the region and hosting Commonwealth and State initiatives;
- Advise the NSW Government and the Department of State and Regional Development on important regional economic development issues;
- Involve key stakeholders, including local councils, in regional development;
- Advance the development of local leadership;
- Support major investment projects: and
- Promote key initiatives to improve the Region's attraction to business investment, including infrastructure development.

Supported by:



Department of State and
Regional Development



I would like to advise that the Hunter Economic Development Corporation will comment on the following points:

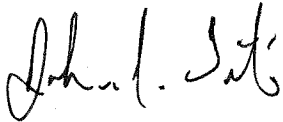
- Produce advice on future funding of regional programs in order to invest in genuine and accountable community infrastructure projects;
- Examine ways to minimise administrative costs and duplications for taxpayers.

The HEDC believes the ANAO are in a superior position to remark on the final two points as they are associated with all aspects of the administration of the Regional Partnerships program.

As well as providing a report on the two points listed above I have also included:

- Hunter Snapshot and
- A copy of "Hunter Vision" a Regional Economic Development Strategy which entailed extensive collaboration and input from stakeholders. The Hunter Vision 20 year strategy aims to provide direction in growing the regional economy, to improve the flow of human and financial resources into and within the region, for the benefit of the community, and to identify actions required to address priorities and challenges with respect to economic development.

Yours sincerely



John S Tate
Chair
Hunter Economic Development Corporation

Inquiry into a new regional development funding program

➤ **Matter: Consistent Geographical boundaries**

Comment: Consideration of consistency of geographical boundaries in line with the NSW State Government Economic Development body which includes Paterson and Great Lakes for the new program to assist regional engagement and regional development.

➤ **Matter: Funding criteria and models**

Comment: The new program needs to address the funding requirements of small local communities needs to large scale urban community funding requirements.

The small grants requirements could be quite specific with clear guidelines that could be easily administered and assessed to streamline the process. Dollar for dollar matching funds is a struggle for small non profit organisations.

Bigger ticket items should have strict guidelines with a clear and transparent description of the assessment and the approval process. Regional stakeholders and the NSW State Board (HEDC) could be required to assess and or endorse projects providing a level of protection for the Federal Government to ensure the projects were consistent with state government state plans and local government strategic plans.

The previous Regional Partnership program had very broad guidelines and the Federal Government did not receive the due recognition for funded projects as mostly projects were often a one of. There may be an opportunity to consider Regional themed projects that meet similar objectives and would benefit the Region to gain a strong recognition for the new program for example Health, Sporting facilities, environment, innovation.

Consideration should be given to the private sector on how they could benefit from the new program, private investment is the driving force for regions to grow and retain and expand skills and local businesses and industries.

➤ **Matter: Regional Development Partnerships**

Comment: The HEDC delivers advice on regional issues and opportunities plus facilitates economic development planning and investment. This makes the HEDC a perfect partner to work with the new Regional Development Australia boards to ensure a cohesive and non duplicate approach to see that local priorities are met. For example the HEDC recently managed the 2008 Hunter Means Innovation Festival where local government, major stakeholders, the previous ACC board and AusIndustry joined as funding partners with the NSW Government to deliver this regional opportunity. There were 47 events over a two week period with 2,300 attendees.

Summary

A new regional grants program needs to be flexible enough for small projects and structured enough for bigger ticket items. A one stop approach is not appropriate for Regional Australia.

Key points for consideration in the development of the program are as follows:

- Clear guidelines supported with definitions and support documents,
- Clear aims and objectives that reinforce that the program is primarily a program that is for the benefit of the region,
- Streamlined and transparent assessment processes within a specified process,
- External advice from regional organisations
- Not to duplicate already existing roles of the State Boards in particular on economic development.

THE HUNTER REGION SNAPSHOT

Is Australia's largest non-metropolitan population base – 611,000 people

- 80% or about 485,000 live in the Lower Hunter
- Larger population than the whole of Tasmania

Has the largest coal export port in the world

- record trade throughput of 85.6 million tonnes
- trade throughput \$8.8billion (\$6 billion of which is coal)
- 1,600 trading vessels visit annually
- creating new opportunities with the manufacture of luxury yachts

Has efficient and uncongested transport access including the fastest growing regional airport in Australia

- over 1 million passengers in 2007
- Carriers include Norfolk Air JetStar, Virgin Blue, QantasLink, Brindabella and Aeropelican

Has effective telecommunications and utilities infrastructure

- Serviced by major national carriers as well as several local carriers
- Comprehensive digital mobile network
- DSL Broadband available to approx. 85% of Hunter population, 95% in Newcastle and Maitland
- Uptake of the internet in the Hunter greater than the national average.

Has a loyal, skilled and plentiful workforce

- Workforce of 290,000
- Unemployment rate averaged just 6.2% in 2006

Is rich in education facilities,

- The University of Newcastle – 26,000 students and world renowned for its research capabilities
- TAFE Hunter Institute - the largest TAFE in NSW
- Tocal Agricultural College

Is a hub for research with HMRI, Newcastle Innovation, CSIRO's Energy Technology Headquarters and the National Solar Energy Centre

- HMRI - research into pregnancy and reproduction; brain and mental health; cancer and genetics; cardiovascular health; public health; and immunity, vaccines and asthma.
- Newcastle innovation - links the government and business sectors to expert knowledge at the University
- CSIRO's Energy Technology Headquarters - looks at the ways in which the generation and consumption of energy and power affects Australia and Australians. In particular, it investigates ways in which processes can be made more efficient and better for the environment. Research focuses on ways to ensure the sustainability of energy production into the foreseeable future.
- The National Solar Energy Centre - is the only multi-collector facility of its type in Australia and home to the largest high concentration solar array in the Southern Hemisphere

Has an unbeatable lifestyle

- Beaches
- Lakes
- Vineyards
- Wilderness
- National Parks

Restaurants
Arts/Cultural Activities
Sport
Pleasant Climate
Shopping

