



Your ref:

Our Ref: 4/420/07/01

Contact:

24 July 2008

The Secretary
Standing Committee on Infrastructure, Transport,
Regional Development and Local Government
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Sir,

Submission on New Regional Development Funding Program

Thank you for the opportunity to present the views of the Goldfields-Esperance Development Commission (GEDC).

The Goldfields Esperance Development Commission (GEDC) is a Western Australian State Government committed to encouraging and promoting economic and social activity in the Goldfields-Esperance region of Western Australia and is one of nine Regional Development Commissions. In this context the GEDC has a very close working relationship with the local Area Consultative Committee.

In the past the "Regional Partnerships Funding Program" has provided the Goldfields-Esperance Region of WA with an opportunity to develop significant infrastructure projects. The GEDC has worked closely with the Goldfields-Esperance Area Consultative Committee (GEACC), and other stakeholders, on many of these projects by providing feedback and input. Without this funding to regional Australia, remote areas would have been significantly disadvantaged.

The GEDC believes that the Regional Partnerships Program was one of the best programs instigated by a Federal Government because it allowed for projects that were not eligible for funding under other funding schemes. All of the funded projects benefited this region's communities.

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We believe that the so called “Pork-barrelling” that was reported to happen in the Eastern States did not necessarily happen in WA.

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

The expression of interest process should be retained. In the past, applicants have been critical of the time and expense necessary to get an application to a stage where it is acceptable for assessment. A two stage process enables applicants to first test the water as to whether or not their project is suitable for funding, then if they are eligible to move to the second stage they can then invest the time and expense into the application process.

The GEDC agrees that the program should be removed from the political process. No doubt Federal Government Ministers will always want to retain responsibility for sign-off. The previous manifestation of the Regional Partnerships Program was made exceptionally bureaucratic to guard against any political interference however it seems the process had its failings. We agree that there needs to be more localized involvement in the assessment process.

We have always had a strong and mutually beneficial working relationship with the local ACC. Under the existing structure the GEDC and GEACC complement their activities without unnecessary duplication; this structure should be maintained.

There needs to be consideration of time constraints and contributing funding obligations. For example in the past it has been considered necessary for contributing funding from State Government. The processes to apply for State Government grants and Federal Government grants can be cumbersome and time consuming. This can lead to time lapses between quotes and project start-up thereby incurring increased costs and budget blow outs. Contributing funding should be accepted from Local or State Government and/or industry and not necessarily a requirement of all.

The application form and process needs to be simplified and feedback should continue to be provided in writing to unsuccessful applicants.

2. Examine ways to minimise administrative costs and duplication for taxpayers

It is critical that an open funding round should be maintained.

The timing of the grant process needs to complement state government funding rounds insofar as most projects are reliant on a variety of funding sources. It makes the whole funding process exceptionally complex if funding is granted subject to success of gaining funding from other grant sources. The new funding program needs to work in cooperation with other funding programs and avoid unnecessary duplication of administration costs.

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

The parameters of the funding program need to be made very clear in respect of the types of projects it would cover, whether it is reliant on local/state funding and the measurable outcomes they require. There should be no provision for discretionary grant funding.

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.

Localisation of the assessment process and decision making is most important.

There should be no provision for an application to be assessed or decided on by a Minister and/or his/her staff if their electorate is to benefit from the grant under consideration.

Consideration of cost escalation needs to be factored in.

Auditable processes should be in place to ensure ACC's are not compromised should Government decide to "truncate or expedited" the usual funding processes.

Conclusion

The Kalgoorlie Federal Electorate is the largest in the world covering 2,295,354 square kilometres and is serviced by five ACC's. Given the size and infrastructure demands of the region it seems fair and equitable that special consideration be given it in regards to funding priorities. Moreover, we believe that significant funding is needed in this region to achieve real development and to meet regional community needs.

Those who choose to live in regional Australia know first hand how valuable the Regional Partnership Program has been. It is crucial that a new funding program for regional Australia be established as soon as possible to enable access to funding so as not to jeopardize existing projects under consideration.

Yours sincerely



Robert Hicks
Chief Executive Officer