



IMPROVING QUALITY OF LIFE
& PROTECTING THE REGION

8 July 2008

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

SUBMISSION: INQUIRY INTO A NEW REGIONAL DEVELOPMENT FUNDING PROGRAM

Gulf Savannah Development (GSD) is an alliance of progressive stakeholders established to deliver economic and social development outcomes to improve the quality of life for residents of Carpentaria, Croydon and Etheridge Shires in Queensland's Gulf Savannah region.

GSD has an extensive track record in seeking and managing grant funds from government agencies.

The following five points are made to the Standing Committee in relation to their inquiry into a new regional development program.

1. Any contestable grants programme has to generate enough demand from potential applicants to ensure that a supply of good projects is funded. When potential applicants are discouraged from using a particular grants programme, there is a reduced quantity of applications made.

The net result is that there are internal pressures to fund project applications of dubious quality, to ensure full expenditure of government programme allocations. This situation is further exacerbated when there is inadequate support to help applicants structure their projects and to prepare their applications, with a corresponding reduction in the quality of applications made.

Therefore, there has to be an emphasis on facilitating demand for any replacement to Regional Partnerships.

2. For this reason we strongly recommend that programme officers be attached to the new regional development program, who:
 - can promote the programme to regional stakeholders
 - have the ability to work with regional applicants with differing levels of expertise in project design and grant-writing, and differing understanding of government policy and process
 - actively support potential applicants and stimulate a flow of quality applications, through provision of quality customer service.

Under the Regional Partnerships programme, such programme officers were either Small Business Field Officers (SBFOs) attached to ACC's but with a field presence, or ACC staff based in offices in regional centres. In our experience, the SBFO's did an admirable job in facilitating demand (despite the reputation of Regional Partnerships), while the ACC staff did poorly in communicating with applicants and providing even basic customer service to applicants.

With the Federal Government's recent decision to abolish SBFO's, we have major concerns about how a new regional development programme can generate and sustain demand, without a resource such as SBFO's, who were field-based, trained and focused on supporting regional stakeholders and were perceived to be 'outside' of government and thus had high levels of acceptance, trust and credibility.

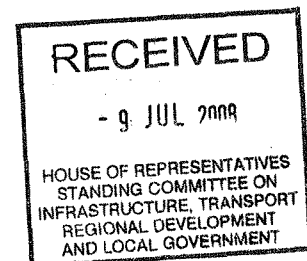
We consider there is a strong case to reestablish the SBFO programme, not just to meet the evident demand for small business advisory support in the regions, but to generate and sustain demand for a new regional funding programme.

3. Demand can also be stimulated by addressing the lack of transparency and consistency in the decision-making process under Regional Partnerships. It appeared that, notwithstanding the published Regional Partnerships funding guidelines, there were 'unpublished' funding preferences and personal bias in play, and this lack of clarity was probably due to the level of Ministerial discretion in the programme. Accordingly any replacement programme should remove the high level of political discretion in decision making.
4. In line with the Federal Government's regional development policies, we consider that there is a strong case for inclusion of weighting criteria in favor of remote or very remote areas (classified according to the ARIA Index or ABS Remoteness Structure). Development needs are demonstrably more pronounced in 'remote' or 'very remote' areas (such as the Gulf Savannah) than in areas classified as 'inner regional' or 'outer regional' (such as Townsville City).
5. We were also told that whether a Regional Partnerships project was for \$10,000 or \$1,000,000, the same application form had to be filled in and same level of detail had to be provided. This only worked in favor of those applicants with a lot of grant-writing expertise and resources. We recommend a streamlined process for grant applications less than \$20,000.

The current dearth of grant funding programmes focused on regional development and economic development is a concern to us. We hope that the replacement to Regional Partnerships provides a reliable and trustworthy partner for development of 'very remote' regions like the Gulf Savannah.

Yours sincerely


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