

# GREATER TAREE CITY COUNCIL, N.S.W.

## SUBMISSION TO THE INQUIRY INTO INFRASTRUCTURE AND THE DEVELOPMENT OF AUSTRALIA'S REGIONAL AREAS



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### 1. INTRODUCTION

The following submission provides a short description of the regional profile of the Greater Taree area. An endeavour has been made to respond directly to the Inquiry's terms of reference and provide positive support to any initiative for further development of infrastructure in regional Australia.

Greater Taree City Council recognises the importance of a balance of infrastructure across industry, commerce and family requirements as a basis of maintaining and stimulating economic growth. Regional Australia has tremendous potential to absorb future economic growth if given the opportunity and could help Australia realise its full potential in a very competitive world. Regions that do not provide across the board infrastructure and associated services will not survive in a competitive environment.

### 2. REGIONAL PROFILE

#### 2.1 THE GREATER TAREE LOCAL GOVERNMENT AREA

The City of Greater Taree covers an area of 3,753 sq. km, including 50 kms of coastline. It stretches from Johns River in the north to the Wang Wauk River in the south and 100 kms westward towards Nowendoc.

The population in June 1996 was 43,600. For June 2001 it has been estimated at 45,900 assuming a growth rate of 1.1% p.a.

The two main urban centres of population are Taree and Wingham, with the balance of the population located in eight coastal villages, nineteen rural villages; a number of rural residential estates; and surrounding rural areas. The large population outside the two main urban centres represents an estimated 53.4% of the total population.

High cost factors for this rural Council include responsibility for 688 kms of sealed roads, 949 kms of unsealed roads and a total of 209 bridges (of which 172 are of timber construction). Currently Council maintains 206 parks and reserves (which cover an area greater than 1,000 hectares) and 18 cemeteries.

Although unemployment is still unacceptably high, agriculture and timber remain important industries and the manufacturing, retail and service sectors are well represented. Tourism is also recognised as becoming increasingly significant.

## 2.2 GREATER TAREE - FACTS AND FIGURES

The 1996 Census is the last Census for which detailed statistics are available. Unfortunately this presents the risk that the information provided in some of the following tables may be out of date. Wherever possible, Council has updated figures based on Council's records and estimates.

**Table 1 - Selected Characteristics (1996 Census)**

	GTCC	NSW
<b>TOTAL POPULATION</b>	43,600	6.04 million
Females	51%	51%
Males	49%	49%
Aged 15 or more	76%	79%
Unemployed	14%	9%
In Labour Force (aged 15 or more)	51%	59%
Not in Labour Force (aged 15 or more)	47%	38%
Live in private dwelling	98%	97%
Live in non-private accommodation	2%	3%
Live at same address as 5 years before	51%	50%
Travel to work by car/motorbike etc.	67%	62%
Travel to work by bicycle	1%	1%
Travel to work by walking	5%	4%
Work at home	9%	5%
Households with at least one vehicle	85%	90%

The above table highlights the very high 1996 unemployment rate, the high proportion of persons not in the registered labour force (e.g. retired, home duties) and the high level of car ownership.

### 2.3 EMPLOYMENT/UNEMPLOYMENT

Generally the region has continued to experience a steady increase in population growth despite being an area of chronic high unemployment. There is also outward movement as unemployed job seekers pursue employment options elsewhere.

The 25 - 44 age group continues to comprise a major component of the unemployed at 47%. Whilst youth unemployment is of national concern, this area has been experiencing an average of 12% against up to 25% in other areas. This may be attributed to a strong "staying on" program in local school. TRAC Industry Practice and other Board approved courses have helped to maintain school populations.

The Regional Analysis and Policy Section DEETYA December 1997 figures show the overall unemployment rate of 12.7% against a National average of 8.0%. This figure could be understated as a result of lower participation rates particularly among married females and older age males in the area.

#### **Table 8 - Employment Categories**

##### Employment

OCCUPATION	GTCC	NSW
Manager	15.1%	12.1%
Professional	8.8%	12.9%
Para-Professional	5.5%	6.6%
Tradesperson	15.4%	13.5%
Clerks	11.9%	15.8%
Sales/Personal Service	14.6%	13.6%
Plant/Machine Operators	7.4%	6.9%
Labourers	15.4%	12.2%
Other/Not Stated	5.95%	6.4%

**Table 9 - Employee Categories**

STATUS	GTCC	NSW
Wage Earner	72.5%	82.2%
Self Employed	17.2%	10.1%
Employer	9%	6.9%
Unpaid Helper	1.4%	0.8%

For many years this area had a strong primary sector. Changes to government policy and a shift in the economy has seen a decline in this sector and a swing toward secondary and tertiary industry.

Beef production has tended to take over from dairying and there has been some interest in boutique farming raising exotics such as deer, ostriches and more recently, rabbits. The potential markets for these are largely still untapped, however they provide an opportunity for diversification for rural producers.

The timber industry has all but collapsed as a result of changes in government policy. Some operators have been able to diversify into value adding to existing products, most have succumbed and exited the industry.

The region has enjoyed a strong manufacturing base over the past 20 years with the successful development of several local industries and the relocation of firms from major centres. The past few years have seen this growth plateau with companies concentrating on consolidation and maintenance of existing operations.

**Table 10 - Industry Groups**

INDUSTRY	GTCC	NSW
Agriculture/Forestry/Fishing	8.3%	3.9%
Mining	0.3%	1.0%
Manufacturing	14.2%	13.1%
Electricity/Car/Water	1.3%	1.4%
Construction	6.7%	6.2%
Retail/Wholesale	20.9%	18.9%
Transport	4.6%	5.0%
Communication	2.0%	1.7%

INDUSTRY	GTCC	NSW
Property and Finance	6.8%	12.7%
Public Administration	3.2%	5.0%
Community Services	17.9%	17.0%
Personal/Recreation Services	7.0%	7.3%
Other (including not stated)	6.7%	6.8%

Retail and service sectors have provided a core of employment opportunities with Taree being the regional centre for the area. Extended training provided a boost to employment opportunities, however this was a part time casual nature. In recent times, small traders are moving back to more conventional hours, finding it difficult to compete with the major retailers over extended hours.

Hospitality is essentially seasonal but does provide opportunities for both skilled and semi skilled job seekers. Various tourism campaigns augment ongoing promotion to attract tourists to the region.

### 3. TERMS OF REFERENCE

Council response to the terms of reference are based on the views of a small task group of Councillors and the General Manager. Comment is restricted to the experience of the region and observation of nearby centres.

#### 3.1 DEFICIENCIES IN INFRASTRUCTURE

The main deficiencies in infrastructure which currently impede development in the Greater Taree region relate to funding of regional roads and bridges.

In fact, the road network system along the north coast of NSW is deteriorating at such a rapid rate that it is impossible for Councils to maintain the network, let alone expand the system to cater for an increasing population base.

The local sub-tropical climate, mountainous terrain and available poor quality road building material are factors that contribute to failing structural road foundations. In the case of bridges, many bridges throughout the north coast are reaching the end of their useful life. It seems that the bridges were all built at a similar time and are not coping with much larger trucks, increasing weights and high volume of traffic. The whole system is collapsing and funding for assistance from Federal and State Government continue to be decreased in real monetary terms.

The bulk of Federal and State Government transport expenditure is spent within the major capital cities. The resulting new highways and internal freeways, bridges etc. provide the means by which the capital cities are allowed to grow. The more money spent on building quicker and easier access to the city centre enables expansion of the metropolis. This is a flawed concept and whilst such investment is made then the sprawling city syndrome with its pollution, traffic congestion, crime and other socio-economic problems must prevail.

Expenditure on infrastructure in the capital cities should be curtailed and redirected to regional areas if there is a genuine desire to limit metropolitan expansion and support regional development.

### **3.2 ENHANCING DEVELOPMENT**

The key areas for infrastructure development in a regional community relate to recreation/culture, transport, health, commerce, education and water/sewerage. If such infrastructure exists and is of a good standard, then the community is well placed to retain and attract investment, maintain lifestyle advantages and can look towards positive growth. Deficiencies in any of these areas will be seen as negative to the profile of the area and can contribute to a disincentive for investment, loss of industry and services and can lead to many missed opportunities.

At present, the level of assistance provided to regional centres for roads/bridges (transport) is of foremost concern. Australia used to have a regional road system of some substance but this is not being supported at National or State level and there is genuine concern for the not too distant future as maintenance requirements escalate (refer to 3.1 above).

Health funding and development of commerce infrastructure are not a concern for the Greater Taree area at this time. Major development work is presently being undertaken for local public health services and a new local private hospital provides first class facilities for the region. However, ancillary programs for hostel care funding for mentally disabled adults is an area which is not being adequately addressed at present and is causing social difficulties within the community. Commercial infrastructure is a responsibility and outcome of private investment and is not an issue for this submission.

Whilst water/sewerage infrastructure in the local region is well provided for, there is no doubt that associated services are critical to growth, development and the proper management of scarce resources as well as the care of the environment. There is a need for governments to provide some assistance to water authorities or possibly direct to industry to assist with the supply of such services in some cases. Industry may need to locate outside of some towns for environmental considerations (i.e. traffic, noise, smell etc.) and water/sewerage will need to be extended. Associated costs can

thwart some projects and governmental assistance may overcome initial financial barriers.

An area of important infrastructure that is not well supported in NSW or by the Federal Government is recreation and culture. Increasingly, most costs for this infrastructure is being borne by local government. The result is that only limited work can be undertaken or major projects achieved at the expense of other priorities and responsibilities. This Council is soon to spend some \$7m on a regional aquatic and leisure facility. The only assistance forthcoming from State Government is \$300,000. This is not satisfactory and is a serious indictment on Federal and State Governments. An arrangement where State/Federal, local community/sponsorship and local government equally shared such costs would be more equitable and may encourage a greater rate of activity in associated infrastructure investment. When Federal and State Governments can pay \$12m each to relocate a commercial rugby club at Sydney to Gosford, and not assist a regional community in its needs for a public facility, regional policies and priorities are seriously out of alignment.

The provision of natural gas, electricity, telecommunications facilities and quality educational facilities are the key considerations for attracting and retaining business/industry. Governments have a clear role in these areas and if regional Australia is to develop, their services need special attention to ensure standards and quality are equal to metropolitan areas. Sometimes the cost of these services can be a major deterrent to industry, i.e. when working at regional centres due to - high petrol prices; cost of telephone/fax calls; headwork charges for gas/electricity; poor standard of local teachers/schools force community to seek private schools; etc.

### **3.3 POTENTIAL DEVELOPMENT**

Potential for development in certain regional areas is enormous. The Mid North Coast of NSW is particularly well placed to respond to significant development.

The Mid North coast has also enjoyed substantial growth in recent years mainly due to its tourism appeal, attractive climate and environment and proximity to Sydney, Newcastle and Brisbane. As a result of this development, the main centres of the Mid North Coast have reasonable infrastructure and services. The area is well serviced by the national highway, national rail, first class airport facilities and many ports/waterways.

With careful planning, there is no reason why the Mid North Coast could not accommodate significant development without compromising any of its existing environmental lifestyle or cultural standards. The area of available land which is suitable for development is large with each centre capable of expanding its core infrastructure and associated services.

A reasonable spread of development across various regional centres would provide more efficient use of existing infrastructure and reduce the adverse impacts of consolidated development in the Newcastle/Sydney/Wollongong metropolitan region. Further assistance from all governments to provide the diversity and depths of infrastructure to accommodate and attract additional development would naturally be required. However, associated costs would be complimentary to existing facilities and not without assistance from local communities.

### **3.4 INFRASTRUCTURE - EMPLOYMENT GENERATION**

The direct benefit of infrastructure development can be assessed in terms of the extent of expenditure and whether local labour, materials and services are engaged. For example - the building of the Taree By-Pass at a cost of some \$150m over the past 4 years has given the local community significant employment benefit through the use of local contractors and businesses.

Similarly, the redevelopment of the local base hospital at a cost of \$26m will provide many jobs for the local successful builder and his sub-contractors. Ongoing investment of this size and scope provide many opportunities for skills to be developed and ongoing employment for local people.

Infrastructure assistance to local Councils and water authorities for joint projects also stimulates employment opportunities for regional communities. There are also many spin-off benefits with projects requiring materials, equipment and assistance from the commercial agencies of the region which in turn helps further employment. Furthermore, the final products and established infrastructure facilities act as a further stimulus to employment - both new and old.

### **3.5 PRIVATE VS PUBLIC INFRASTRUCTURE INVESTMENT**

Greater Taree City Council believes there is a role for each of the different levels of government and the private sector on providing infrastructure in regional areas.

The issue of private sector involvement will naturally be limited or expanded in relation to the return to be achieved for private investment outlaid. In regional areas, it may not be viable for private investors to fund the entire infrastructure project. A workable option may be National/State Government, local government and community enter into a joint venture with private enterprise. The benefit being that public funds are restricted but provided to achieve a desirable infrastructure facility with private enterprise providing some capital assistance, possible ongoing management responsibility and risk side of the venture for a return in profit.



### **3.6 PLANNING THE PROVISION OF INFRASTRUCTURE**

If the Federal Government is serious about stimulating the provision of infrastructure in regional areas, then a clear commitment needs to be made to resource significant and ongoing investment from the Commonwealth's budgeting program.

With such a commitment, State governments and local government across the nation will be prepared to take up the challenge and look to take advantage of an infrastructure program of significant scale and importance. The total size of the budget commitment for infrastructure investment may not be much more than current allocations but a redirection away from Sydney/Melbourne and other metropolitan regions. However, the Government needs to demonstrate its determination and support for regional development with an adequate resource base to enlist further resources from State Government, local government and the private sector.

Should such support be forthcoming, then planning, co-ordination and co-operation for the provision of infrastructure in regional areas will need to be arranged by each State Government working in co-operation with local government.

Criteria may be determined by the Commonwealth on what infrastructure projects are seen as a priority and on what basis will funding be provided. Issues of viability, equity, cost sharing and timeframes will need to be clarified at an early stage. A national board of management may also need to be established to consider applications and provide some accountability to the criteria and review the performance/success of the program in terms of infrastructure development actually achieved over time.

### **3.7 BENEFIT TO THE NATION**

The provision and development of regional infrastructure will provide the basis for economic growth in regions. In turn, economic growth is absolutely critical if living standards and employment opportunities are to rise for all Australians. In pursuing economic growth, consideration must also be given to such issues as social justice and sustainable development. However, economic growth will remain the *engine* of development.

The development of Australia's economy is the responsibility of all local communities, not just a matter for policy-makers in the national and State governments. In reality Australia consists of thousands of local communities whose actions and activities contribute to the country's social and economic advancement. In order for Australia to reach its full potential it is clear that local communities and the regions they constitute, must maximise

their potential. Infrastructure development is a key element in attracting and sustaining economic growth.

Consequently it is critical that local communities accept responsibility for economic development. Each community has special characteristics and strengths upon which it can build. The realisation of a local community's potential will result in the creation of new jobs and continuing economic prosperity. This sustains the social cohesion of the community and underpins further growth.

Local economic development initiatives are therefore vital for both local communities, and the broader goal of national economic advancement. However, such initiatives cannot be attained without appropriate infrastructure being in place.

#### **4. CONCLUSION**

Infrastructure is the base from which economic survival and growth can be relied upon. At this time in Australia there is an imbalance of investment in metropolitan infrastructure in comparison to regional areas. This imbalance is contributing to the never ending and uncontrolled expansion of all capital cities as well as the major centres of Newcastle and Wollongong.

Regional areas are equipped to handle economic and sustainable development although they need help with further infrastructure investment. Providing necessary infrastructure is in place, then regional areas will be better equipped to maintain and expand their respective industrial, commercial, tourism and residential areas. However, it is imperative that Federal and State Governments provide tangible and ongoing support to regional infrastructure if economic growth is to be translated from metropolitan to regional zones.

Australia is a country made up of rural, regional and metropolitan areas. It is a diverse and large area of land made up of many communities. Australia is not Sydney, Melbourne and Brisbane. We all rely on our regional areas for agriculture and raw materials. It is time for action and any endeavour to stimulate regional infrastructure development is a step in the right direction.

**GREG TREVASKIS**  
**GENERAL MANAGER**  
**30 April 1999**