

Detailed below is Mackay Regional Council's submission regarding the "Inquiry into a new Regional Development Funding program" by the Standing Committee.

## **Background**

Mackay Regional Council covers the previous Council's of Mackay City Council, Mirani Shire Council and Sarina Shire Council. The Mackay Region is experiencing significant and sustained growth with the population increasing at a rate of 3.5 % per annum and Gross Regional Product increasing from \$7.2 Billion to 10.1 Billion over 2 years. Indeed, Mackay Whitsunday's Region's Gross Regional Product equated to 8.1 % of the Queensland State's total for 2005/2006.

The demands on local government to provide essential and lifestyle infrastructure to support this growth are immense and continued support from the Regional Development funding program is essential.

The Mackay Region ACC has worked closely with the Mackay City, Sarina and Mirani Shire Councils to development funding applications for the area.

Successful Council projects have included:

Caneland Park Lagoon \$4,000,000 +

Flying High – Hemp / Kanef trial as an alternative to sugar \$10,000 - Mirani

Skate Sarina - portable skate ramp \$7,500

Community Facility - Sarina Beach - \$21,780

Sarina Sugar Shed - \$499,000

Each of these projects have positively impacted on the community by enhancing its livability and sustainability.

There have been many other projects (funded by the federal government) for other proponents that also contribute to the livability and economic growth in our region.

Many of these projects would not have proceeded if the federal funding was not available and others would have taken much longer to come to fruition. Council believes that Government has a role to provide appropriate grant funding programs that can develop, enhance or better utilise community infrastructure. These projects certainly need to enhance the sustainability of the region.

## **Recommended improvements to program**

The assessment and acquittal process needs to be reviewed. There are a number of major assessments steps in the determination of grant recipients, prior to the final determination by the Ministerial Committee. The process needs to be reviewed perhaps with more empowerment to RDA committees to at least reduce some of these steps as it has been found that the time taken to evaluate applications can take too long.

It is also recommended that the initial application form could be more streamlined and simplified. This would reduce administration costs which is one of the aims of the review.

The process of eligibility needs to ensure that there is consistency of applications. This was one of the major criticism of the previous funding program e.g. political bias's.

It is important that the progress of payments to successful applicants should meet project cash flow needs. This can cause cash flow problems in particular Councils.

Council also supports the retention of Regional Development Australia as an ACC type network which includes cross regional representation to support the consideration and prioritisation of projects

In conclusion, Council believes that it is important that funding is not reduced for the new funding program and in fact future funding should reflect inflationary increases. There have been a number of reports which have highlighted the financial pressures on Local Government across Australia as it attempts to maintain and enhance its assets base to ensure appropriate levels of service are maintained within its communities. Council considers that the RDA and the regional bodies are the most appropriate bodies to make assessment on the prioritisation and subsequent recommendation to government, both at a federal and state level for Regional Development Funding applications.

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