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Committee Secretary
Standing Committee on Infrastructure, Transport Regional Development and Local
Government
PO Box 6021
House of Representatives
Parliament House
Canberra ACT 2600

13 July 2008

Re: Inquiry into New Regional Development Funding Programme

Dear Committee members,

On behalf of Finding Workable Solutions Inc. (FWS) and as an organisation that is a past recipient of Regional Partnership funding I forward these comments for your consideration.

1. Please provide your thoughts on future funding of regional programs in order to invest in genuine and accountable community infrastructure projects.

- ✚ Future regional funding must focus on projects that assist with meeting “unmet” need and developing rural/remote/regional areas. That is, funding should be given to projects that show the potential to strengthen, sustain and develop a community in a positive way.
- ✚ Funding should focus on creative and innovative projects that would be difficult to fund through other means; with priority given to those organisation that do not have the ability to raise funds through other methods.
- ✚ Any new programme should be available across all rural/remote/regional areas.
- ✚ Proposals should have access to the expertise and experience of the local Area Consultative Committee to ensure the application is in line with selection criteria and has the best opportunity for success.

2. How should the Federal government design regional programs in a way to minimise administrative costs and duplication for taxpayers.

- ✚ While FWS did not have a major problem with the previous grant process it would be an overall benefit if it were simplified, and in particular the paperwork. The problem with complicated written applications is that they have a susceptibility to reward good grant writers rather than good projects. Allowance must be made to ensure this does not happen.
- ✚ The process must have clear, simple and unambiguous guidelines that are easily regulated and understood by all parties.
- ✚ FWS believes that the management of any regional funding programme needs to be vested in a local body such as existing local Area Consultative Committees. This is essential; and it is expected a committee be made up of bipartisan and independent local people who have high level knowledge of their communities and economies.
- ✚ Area Consultative Committees retain their responsibility for the dissemination of information about New Regional Development funding.

The FWS story:

FWS has benefited from the Regional Partnership Program (RPP) as have our local communities. Without the assistance of this program FWS would not have been able to set up two very successful recycling ventures in rural/regional South Australia. These social enterprises employ more than 25 people with a disability and a further 8 able bodied people; they have diverted many tonnes of recyclable goods from the waste stream and are strongly supported by the local community; the businesses are economically viable and will shortly be self sustaining.

By accessing RPP FWS was able to leverage other donors and grants and partner with local Councils. This was important as it meant FWS had access to sufficient capital to properly establish the (social) enterprises and develop partners who were willing to assist in making the recycling ventures a reality.

It was not an easy process to gain RPP funding. FWS put in an application to the South Central Area Consultative Committee, who after reviewing it requested that the CEO attend a meeting and answer a number of questions. FWS then completed the application, which with attachments ran to 3 volumes. The application was then sent to DoTARS for approval which raised more questions. FWS staff attended further meetings to answer these, and eventually gained approval. A lot of work but a great return to all parties.

The process was lengthy, it was rigorous, it was fair and at the end all parties new the FWS proposal backwards and forwards, and this was a good thing. While FWS believes there is room for streamlining this process the previous process did

result in all parties knowing precisely what FWS wanted, what FWS was going to deliver, who was going to benefit and when it was going to happen.

This leads to two points FWS would like to make: firstly it remains difficult, if not impossible for small rural based not for profits like FWS to raise capital to start (social) enterprises on the scale of these recycling ventures - FWS believes this is more difficult than if the organisation was located in the city; secondly it is highly unlikely that FWS would be able to raise the amount of backing RPP provided. Without the support these (social) enterprises received from RPP it would have been much more difficult to accomplish what FWS has achieved. RPP was the single largest supporter in the development of these (social) enterprises and it is undeniable that this framed the basis for FWS's ongoing success.

It is irrefutable that rural Australia is disadvantaged in terms of access to many services taken for granted by people living in the city; FWS would also argue that developing sustainable (social) enterprises in regional areas is also more difficult. If the establishment of an (social) enterprise or the delivery of a service is beyond the reach of a local organisation then a regional funding program must exist to assist them. Seed funding from programs such as the New Regional Development Funding Program are an essential component in addressing this deficit and I ask that the Committee endorse the fast tracking of the New Regional Development Funding Program for the benefit of rural Australia.

Yours sincerely

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