



Committee Secretary
Senate Finance and Public Administration Committee
Department of the Senate
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Australia

Senate Inquiry into the Regional Partnerships Program

Submission from:

South West Area Consultative Committee Inc.
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This Submission is in two parts (plus attachments):

- PAGE 1: PART 1 - Background on the South West Area Consultative Committee and the Regional Partnerships Programme
- PAGE 3: PART 2 - Case study examples of Regional Partnerships projects in the South West, with particular emphasis on the process by which projects are proposed, considered and submitted for funding
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PART 1: BACKGROUND

The South West Area Consultative Committee is a non-profit organisation incorporated under the WA Incorporations Act 1987, and operates as part of the Australian Government's Network of Area Consultative Committees, with an annual funding contract with the Department of Transport and Regional Services (DOTARS).

The primary role of the Committee is to provide a conduit between the region that we serve (the South West Region of Western Australia) and the Australian Government. We assist the Government in the delivery of government programmes that are aimed at helping regional Australia to grow and prosper, under the framework of the Stronger Regions, A Stronger Australia policy (2001).

The chairman and the volunteer Board members (**see Attachment 1 for details of South West ACC Board members**) provide advice to the Government through assessing, endorsing and making recommendations on funding applications from the region, under programmes such as Regional Partnerships Programme and, until recently, the Dairy Regional Assistance Programme, for projects that support regional economic growth, sustainable employment and social opportunities. The Board also determines organisational policy and strategic direction, and has administrative oversight of the South West ACC.

The South West ACC employs three staff with annual funding from DOTARS, who assist the Board in the day-to-day delivery of its three-year Strategic Regional Plan 2004-2007 and an Annual Business Plan.

The South West ACC's Vision is: Empowering communities in the South West Region of Western Australia. Our Mission is: To achieve sustainable regional economic growth and employment, enhanced by innovative communities and collaborative partnerships within and between all sectors.

The South West ACC supports significant projects in the region that demonstrate a planned, cooperative approach and that lead to regional economic development, employment and social opportunities. In particular, the committee gives priority to projects that address needs in four main areas:

- Priority 1:** Where industry structural reform is impacting adversely on communities in the region
- Priority 2:** Where particular communities are suffering from economic and/or employment disadvantage compared with the rest of the region
- Priority 3:** In sectors of the economy where regional economic development and sustainable employment growth can be demonstrated to be most likely.
- Priority 4:** Where social opportunities can be encouraged through innovative programmes.

This support is provided through the assistance of the Board members and staff, and through the Board's recommendations to the Australian Government for funding and support for projects from a variety of Australian Government funding programmes and services. In particular, the South West ACC has been working since the introduction of Regional Partnerships on July 1, 2003, to ensure that this programme is successfully and equitably delivered in the South West Region.

The Guidelines for Regional Partnerships state that the Australian Government will partner projects that focus on:

- Projects that strengthen and provide greater opportunities for economic and social participation in the community.
- Projects that, in a cost effective and sustainable way, support communities to access services.
- Projects that assist communities to identify and explore opportunities and to develop strategies for action, and
- Projects that assist specifically identified communities and regions to adjust to major economic, social or environmental change.

The Guidelines identify possible successful projects as demonstrating:

- Benefits for the community by meeting a demonstrated need or community demand for the project's outcomes; filling a market gap; adding value to existing resources, products or business, and/or
- Creating or enhancing opportunities in the community by establishing new, diversified or expanded businesses in response to demonstrated markets; creating new economic/employment opportunities, including job creation; providing infrastructure that enhances economic/social opportunities; enhancing interaction in the community that will lead to an improvement in the community as a whole; delivering diversification of skills and/or demographics in a location; or, increasing the uptake of innovation, best practice or new technologies.

Since the introduction of the Regional Partnerships Programme in 2003, the South West ACC has dealt with scores of inquiries regarding the Regional Partnerships Programme, however, only a total of 26 projects proceeded to formal applications as at 31 December, 2004. The total funding requested for these projects is \$6,749,807 with the total project cost being \$21,976,793. Sixteen projects have been approved as at 31 December, 2004, with \$2,591,777 from Regional Partnerships for projects worth \$8,570,018. The remaining 10 are still being assessed. **(See Attachment 2 for approved South West WA projects)**

The South West ACC Board considers all applications against the Regional Partnerships assessment criteria, and the regional priorities, as stated in our three-year Strategic Regional Plan 2004-2007.

PART 2: CASE STUDY EXAMPLES

This section provides four examples of Regional Partnerships Programme projects, showing the process undertaken by the South West ACC.

In particular, it addresses the Inquiry's Terms of Reference 1, 1 (a), 1 (b) and 1 (f).

Case study 1: Augusta Regional Hydrotherapy Centre

Applicant: Augusta Community Development Association Inc

Funding approved: \$123,904

Project cost: \$295,813

Augusta is a small town of 1700 people at the far south-west of Australia close to Cape Leeuwin. Though one of the oldest towns in WA, established to support farming in the area in the 1800s, today it has a limited economy based on agriculture, seasonal tourism and a growing retirement population.

The Augusta Community Development Association (ACDA) was established in 1990 following a community planning day called to identify ways to sustain the town and local area of Augusta, economically and socially. The planning day identified the community's aspirations and priority projects at that time, and ACDA was formed as a vehicle to progress the community's wishes.

In 1994, ACDA held another planning day and more than 94% of the residents nominated a hydrotherapy pool as a high priority for the community. In 1996, ACDA received a bequest of \$22,000 from an Augusta resident, whose will decreed that the funds be put to the construction of a hydrotherapy pool.

In 1996, another planning day reiterated the community's desire for a hydrotherapy pool. With the bequest as a base, ACDA began to investigate other funding sources, and prepare a plan for the pool facility, including full costings. ACDA prepared and submitted a number of applications for funding to Federal, State and local government agencies, all without success.

The proposal first came to the attention of the South West ACC in March, 2000, when discussions were held with representatives of ACDA regarding the hydrotherapy pool and a proposed ecomuseum for Augusta. Further contact ensued from time to time over the following years, and in August, 2003, South West ACC staff and ACDA representatives met with State and local government representatives to identify appropriate funding sources for the project. At that stage, ACDA had exhausted all other approaches for government support, and the (then) new Regional Partnerships Programme was seen as a possible source of funds.

Enter Owen Jones. Mr Jones is a septuagenarian and an active committee member of ACDA. He is legally blind and is a well-known figure in Augusta, where he and his guide dog can be regularly seen walking around the streets.

Mr Jones is the champion for the hydrotherapy pool, and had relentlessly – but unsuccessfully - pursued funding and support from Federal, State and local government sources for the project. Working with staff from the South West ACC over many months, Mr Jones gathered relevant information and secured a \$161,000 commitment from the Shire of Augusta-Margaret River to construct a building to house the pool adjacent to the community recreation centre.

The critical elements that would support a funding application under Regional Partnerships were identified. The project is a high priority for the Augusta community (94% of residents say so); Augusta has a very high proportion of people aged 60 and over (39% - almost three times the regional average); there is a need to support well-ageing in the community, as well as providing rehabilitation facilities for sports and other injuries (hydrotherapy pools are recognised by health professionals as being invaluable

for the treatment of a range of medical, health and social reasons); Augusta is a remote community (currently patients must travel a 300 kilometre round trip to the nearest hydrotherapy facility in Bunbury, limiting treatment and prolonging recovery).

Mr Jones, a community volunteer, committed many, many hours to gathering the relevant statistics, preparing the project budget, sourcing the pool and other equipment (the hydrotherapy pool required is not manufactured in Australia and must be imported from the United States), securing local government commitment, identifying the best location, negotiating with other users of the recreation centre, and then writing the Regional Partnerships application (Mr Jones can use a computer with visually enhanced facilities).

The application was submitted to the South West ACC Board on May 18, 2004 and funding approved in August, 2004 – more than four years after the project was first discussed by ACDA and the South West ACC.

It is expected that the pool will be constructed and ready for use in the first half of 2005, more than 10 years after the Augusta community nominated it as a high priority for their community.

This outcome has only been possible because of the tenacity of community champions, like Owen Jones, and a unique funding programme like Regional Partnerships.

Case study 2: Rotary Foodbank South West

Applicant: Rotary District 9460

Funding approved: \$77,000

Project cost: \$378,000

Foodbank WA was established in 1994 in Perth, and operates as a not-for-profit organisation collecting fresh and packaged food that would otherwise be wasted and distributing it through service providers to needy people in the community. With a small core staff and an army of volunteers Foodbank is supported by 350 companies and distributes food through 400 support agencies to tens of thousands of people each year. The programme model has a triple bottom line: Social – helping people in need; environmental – less waste going into landfill rubbish dumps; and economic – food companies and retailers avoid the costs of dumping food.

Foodbanks also operate in Mandurah and Kalgoorlie, however, in the most populous region of WA, the South West with an estimated 140,000 people, there has been no such service available.

Enter Rob Prestage. Mr Prestage, a long-time Bunbury resident, recently retired from a highly successful business career, and in 2002 became aware of Foodbank WA and the good work it does. He became passionate about establishing the Foodbank model in Bunbury, and servicing the South West.

As a member of Rotary, he began to raise support for the project through the four Rotary clubs that make up district 9460 – Bunbury, South Bunbury, Bunbury Central and Bunbury Leschenault.

Mr Prestage approached the South West ACC in July, 2003, seeking advice on possible funding sources to assist the project become established. At that stage, the Regional Partnerships Programme had just been launched, and discussions were held about a possible funding application. However, the project was just an idea, and Mr Prestage was advised to undertake further research, prepare a business plan and ascertain costings.

A steering committee was established with representatives from the four Rotary clubs, as well as the Salvation Army and a retired police superintendent. A business plan was written and Mr Prestage continued to gather support from business, community and government agencies for the project.

In the following six months, numerous meetings were held with South West ACC staff and members of the steering committee, including Mr Ross Ranson, a highly successful local businessman and past president of Bunbury Rotary, who was tasked with writing a Regional Partnerships funding application.

The critical elements that would support a Regional Partnerships application were identified – the Foodbank model is highly regarded as a successful vehicle for supporting disadvantaged people in the community; the South West is a key food-producing region in WA, with food producers having the potential to make a significant contribution to the region's needy (local orchardists and vegetable growers indicated strong support to supply products which would have been sent to waste); the project has many partners (14 contributing partners, mainly local businesses providing cash and in-kind, with letters of support from another 14 businesses, community support agencies, churches, local governments, and the WA Police); the project has a triple bottom line (social – Foodbank South West will supply food for distribution to 40 support agencies across the South West, a breakfast-in-schools programme will also be established; environmental – an estimated 10,000 cubic metres will be diverted from landfills each year; economic – savings to food companies and retailers in dumping costs).

Mr Prestage, Mr Ranson and other steering committee members (all community volunteers) committed many many hours to gathering support for the project, securing cash and in-kind commitments from businesses and others (Rotarians are nothing if not well equipped to encourage support for their activities from other Rotarians), gathering the information to support the assessment criteria for Regional Partnerships application, and working with South West ACC staff to write the application.

The application was submitted to the South West ACC Board on 17 February, 2004, and funding approved in June, 2004, almost a year after the project was first mooted with the South West ACC and more than two years after Mr Prestage brought the concept to the region.

Foodbank South West opened for business in September, 2004, with Mr Prestage as full-time operations manager (voluntarily), together with around 40 other volunteers, many local Rotarians. (As an aside, so well managed is the new centre that it was able to provide a focal point for collection and distribution of food aid from the South West during the recent tsunami crisis in Asia.)

This outcome has only been possible because of the tenacity of community champions, like Rob Prestage, and a unique funding programme like Regional Partnerships.

Case study 3: Karnet Prison Vocational Integration Programme

Applicant: E. G. Green and Sons

Funding approved: \$237,435

Project cost: \$803,700

E. G. Green and Sons is an industry leader in meat processing in WA. Their abattoir, located at Harvey, is the biggest employer in the district, with 510 people on the payroll, paying salaries in excess of \$20 million annually. In addition, the firm buys and processes more than 170,000 head of cattle per annum for export and domestic markets injecting some \$100 million into the WA economy. The firm is a Registered Training Organisation and undertakes on-site training in all aspects of meat processing for its new employees, as well as for other abattoirs.

In addition, they work with the WA Ministry of Justice to deliver training to inmates at Karnet Prison (a low-security prison south of Perth) which operates a basic abattoir facility providing the meat to other WA prisons. Despite being an acknowledged leader in training and employment in the meat industry, Greens (and other meat processors throughout Australia) are faced with an urgent need in employing and retaining skilled workers, especially boners and slicers.

Enter Tony Bandera. Mr Bandera is a long-term employee of Greens, and is currently the Training Manager. He is highly regarded in the industry for his skills in this area.

Mr Bandera saw an opportunity to develop a training programme to meet two objectives: A pool of qualified job-ready candidates who will be offered employment at Greens at the completion of their training, and qualified for other meat processing plants around Australia; and, a social benefit in assisting prison inmates (many in Karnet for minor offences) to re-establish in the community and reduce re-offending rates.

He secured commitment from the management of Greens to develop and cost the proposal. The project involves Karnet prison inmates identified through a screening process, in conjunction with the Ministry of Justice and Greens trainers at the prison abattoir, being offered a full year of training to certificate 3 in meat processing, including on-the-job training at Green's abattoir at Harvey. At the end of the training (and completion of their prison terms) trainees would be offered full-time work. An estimated 10-15 trainees could be put through the process in the first year.

However, the start-up costs associated with the project are significant, including the costs of transporting the inmates on a daily basis from Karnet prison to the abattoir (about a 1 hour drive each way), as well protective clothing, inoculations, course materials, equipment and wages for Green's trainers and the trainees. (The inmates are paid award rates, in an agreement with local unions).

The project first came to the attention of the South West ACC in July, 2003, and in October, 2003, Mr Bandera invited South West ACC staff to visit the Harvey abattoir and discuss possible funding sources to assist the project to become established in the first year.

Because of the unique nature of the project, no funding source was identified from the training sector in either Federal or State programmes, nor within any prisoner support programmes.

Regional Partnerships was identified as a possible funding source, and Mr Bandera began work on a funding application, with the assistance of South West ACC staff.

The critical elements that would support a successful Regional Partnerships application from a private sector applicant were identified – value for money (the total project cost is \$803,700 with RPP funding representing 26.85%. Greens expect to train 15 inmates to Certificate 3 in Meat Processing during the 12 months of the project, and then employ them full-time representing a cost of \$14,390 per job); regional benefit (helping to deal with a skills shortage in the meat processing industry – the inmates will receive nationally-accredited training), and social benefit (approximately 45% of Western Australian prisoners, excluding fine defaulters, released without supervision, return to prison within two years of their release in the community. National and international research shows that many prisoners re-offend because they lack support systems).

The application was submitted to the South West ACC Board on 27 January, 2004, and funding approved in May, 2004. The project commenced in July, and by 31 December, 2004, nine inmates had entered the programme, one had completed his sentence and was continuing as a full-time trainee, two were considered to have high potential as top-level boners and slicers, one (with a longer sentence) was already considered highly proficient and stated the programme had "saved his life".

This outcome has only been possible because of the tenacity of community champions, like Tony Bandera, and a unique funding programme like Regional Partnerships.

Case study 4: Redfin Perch – from Pond to Plate

Applicant: West Coast Electro Fishing Pty Ltd

Funding approved: \$99,000

Project cost: \$275,000

West Coast Electro Fishing Pty Ltd was set up by the Anderson family to realise the potential of a freshwater fish species in WA. The family, through father Ray and son Matthew, have a long and

successful business history in the region. Matthew, a chef by trade, has 18 years experience in food processing, his father has 35 years in the industry. About four years ago Matthew identified a market for redfin perch, a freshwater fish species introduced to WA from Tasmania, but originally from Europe. The species is now classed as feral in WA and has infected rivers and streams as well as farm dams. Despite its feral classification, the fish is prized as an eating fish in both domestic and overseas markets. WCEF's research indicates more than 2 million kilograms of plate size perch in around 5000 hectares of dams and waterways worth an average of \$16/kg (live), ie \$32 million. WCEF utilises a technology unique to WA that puts an electric charge into the water that stuns the fish, which can then be easily removed to holding tanks for later processing and sale (either live or filleted). WCEF have in place licences to implement commercial redfin perch fishing, including a "sole access" approval for WA. In the longer term, the business sees marron replacing redfin perch in farm dams to provide a significant boost to the marron industry in WA (redfin perch deplete marron stocks).

The project first came to the attention of the South West ACC in mid-2003, when the Andersons were assisted to submit a funding application to the Commonwealth Department of Agriculture, Fisheries and Forestry under the New Industries Development Programme. The application was unsuccessful, and it was suggested that WCEF submit a new application under the Regional Partnerships Programme.

The South West ACC staff assisted in the application process. The critical elements that would support a funding application from a private sector applicant were identified – value for money (the total project cost is \$250,000 with RPP funding representing 36%. WCEF will contribute \$160,000 in cash. The project identifies five new jobs in the Manjimup area, equating to 1 job per \$18,000 of RPP funding); employment benefit (Manjimup is a disadvantaged area and is a priority for the South West ACC); regional economic benefit (more than 45 farmers in the Manjimup area alone have committed to allowing access to WCEF to clear out their dams of redfin perch, allowing for restocking with marron, WA's highly-valuable freshwater crustacean – redfin perch eat young marron and can deplete yields by 90%); environmental benefit (redfin perch are classified as feral in waterways and impact negatively on native fish species and river ecology).

A Regional Partnerships application was submitted to the South West ACC Board in January 2004, with funding approved in June, 2004, more than a year after the project was first mooted with the South West ACC, and more than four years after Mr Anderson began his research and development into the concept. Along the way, he met with numerous bureaucratic and technological hurdles, but remained determined to succeed.

This outcome has only been possible because of the tenacity of community champions, like Matthew Anderson, and a unique funding programme like Regional Partnerships.

CONCLUSION

These four case studies are representative of the Regional Partnerships Programme approvals in the South West of WA. All the projects approved to date, whether from community or business organisations, businesses or local government, demonstrate that Regional Partnerships facilitates a "bottom up" process in regional development with communities seeking their own solutions to issues. Community champions (like the ones in these examples) are the key ingredient in these successful projects, and need to be supported.

(Submission prepared by: Graham Hodgson, Executive Officer, South West Area Consultative Committee Inc, phone (08) 9791 4552; email graham.hodgson@swaccwa.org.au; PO Box 1827, Bunbury, WA, 6231.

Submission endorsed by: Paul Vukelic, chairman; John Gillingham, Kevin Strapp, Executive Committee).

ATTACHMENT 1

South West ACC Board of Management

Mr Paul Vukelic (Chairman)

A long-time resident of the South West Region, businessman and property developer Paul is a strong advocate for the region's economic development.

Mr John Gillingham (Deputy Chair and Treasurer)

A stockbroker, John has a wealth of experience and disciplines including accounting, insurance and resource development. He is a former Broome Shire Councillor, Rotary President and has received several awards for services to the community.

Mr Kevin Strapp (Executive Committee Member)

A former Director Regions with the WA Department of Commerce and Trade, Kevin has a wealth of experience in trade and export matters in WA. He is currently Investment Coordinator with the WA Department of Premier and Cabinet.

Ms Raquel Willis (Secretary)

Currently the Alcohol and Drug Programme Coordinator with the South West Public Health Unit, Raquel's experience in the health service enables her to identify social health issues confronting people throughout the South West Region. As the youth representative on the Committee, she is able to link local concerns for young people to larger regional issues.

Mr John Saunders

A businessman, John has interests in the property and automotive sectors, and contributes to the region's development through working on a number of business and community groups.

Mr Tom Morris

Tom is currently the Director of Education Services at the South West Regional College of TAFE. He brings to the committee an extensive background in labour market research, strategic planning and the delivery of vocational education and training programmes in the community and public sectors.

Mr David Dorsett Lynn

A businessman, David has interests in electrical, furniture and bedding retailing, and property development. He is involved with the Anglican Church, especially its education and community care concerns.

Mr Keith Liddelow

A farmer and long-time resident of the Warren-Blackwood area, Keith has been shire president of the Shire of Manjimup and is currently a shire councillor. He has an in-depth knowledge of the area and extensive personal and professional networks in the Warren-Blackwood area and throughout the State.

Ms Michelle Steck

A former Collie Shire councillor, Michelle has a strong social conscience with keen interests in developing regional sustainability, tourism, Indigenous culture, marketing and value adding to South West communities. She has a background in small and corporate business.

Ms Anne Donaldson

Director of Communities First with the South West Area Health Service, Anne was previously General Manager of the Bunbury Health Service. She has extensive experience in the health sector, including in strategic planning, implementing change programmes and working in cross-cultural environments. She has worked in major hospitals in WA in senior social work positions.

ATTACHMENT 2**APPROVED REGIONAL PARTNERSHIPS PROJECTS, SOUTH WEST OF WA, AS AT DECEMBER 2004**

| ID | Proponent | Project Title | TRAX Date | Total Project Cost | Funding Sought | Funding Gained | Comment | Approval Date |
|----|--|---|-----------|--------------------|----------------|----------------|-----------------------|---------------|
| 1 | Augusta Margaret River Tourism Association | Sustainable Tourism Community Development Project | 08/12/03 | \$766,520 | \$250,000 | \$275,000 | Board endorsed 18/11. | 17/05/04 |
| 2 | Tom Fox | Lake Jasper Certified Seed Potatoes | 30/11/03 | \$758,000 | \$175,000 | \$192,500 | Board endorsed 18/11. | 19/02/04 |
| 3 | Royal Lifesaving Society of Australia | Warren-Blackwood Call Centre | 10/12/03 | \$774,000 | \$235,000 | \$258,500 | Board endorsed 16/12. | 29/03/04 |
| 4 | Shire of Nannup | Nannup Foreshore Park Development | 19/12/03 | \$191,020 | \$74,400 | \$81,840 | Board endorsed 16/12. | 12/03/04 |
| 5 | City of Bunbury | City Vision Strategy | 22/12/03 | \$600,000 | \$240,000 | \$117,700 | Board endorsed 16/12. | 17/05/04 |
| 6 | Shire of Dardanup | Profiting from Harvest Highway | 22/03/03 | \$298,264 | \$96,820 | \$106,502 | Board endorsed 16/12. | 29/03/04 |
| 7 | West Coast Electro Fishing | Redfin Perch, from Pond to Plate | 30/01/04 | \$250,000 | \$90,000 | \$99,000 | Board endorsed 27/1. | 17/06/04 |
| 8 | St Mary's Community Care | Nurture Works | 30/01/04 | \$222,701 | \$59,441 | \$65,385 | Board endorsed 27/1. | 1/07/04 |
| 9 | E.G. Green & Sons | Karnet Prison Vocational Integration Programme | 22/01/04 | \$803,700 | \$215,850 | \$237,435 | Board endorsed 27/1. | 17/05/04 |
| 10 | JLV Industries | Conveyor Belt Manufacturing | 30/01/04 | \$700,000 | \$244,000 | \$268,400 | Board endorsed 27/1. | 8/06/04 |
| 11 | Shire of Bridgetown-Greenbushes | Blackwood River Park Precinct Development | 05/02/04 | \$160,000 | \$61,010 | \$67,111 | Board endorsed 27/1. | 1/07/04 |
| 12 | Rotary District 9460 | Rotary Foodbank South West | 20/02/04 | \$378,000 | \$70,000 | \$77,000 | Board endorsed 17/2. | 17/06/04 |
| 13 | Silver Chain Nursing Assn. | Walpole Community & Health Centre | 18/06/04 | \$840,000 | \$150,000 | \$165,000 | Board endorsed 16/3. | 2/07/04 |

| ID | Proponent | Project Title | TRAX Date | Total Project Cost | Funding Sought | Funding Gained | Comment | Approval Date |
|----|---|---|-----------|--------------------|----------------|----------------|-----------------------|---------------|
| 14 | In Town Lunch Centre | Expansion through Fitout of Commercial Kitchen | 22/04/04 | \$295,000 | \$65,000 | \$71,500 | Board endorsed 20/4. | 31/08/04 |
| 15 | Shire of Manjimup | Community Facility Climate Protection Enhancement | 14/05/04 | \$1,237,000 | \$350,000 | \$385,000 | Board endorsed 18/05. | 31/08/04 |
| 16 | Augusta Community Development Association | Augusta Regional Hydrotherapy Centre | 25/05/04 | \$295,813 | \$112,640 | \$123,904 | Board endorsed 18/05. | 31/08/04 |