

26 January 2005

The Finance and Public Administration Committee
Inquiry into the Regional Partnerships Program
Parliament House
Canberra ACT 2600

Dear Committee Members,

Please find enclosed a submission by the Tasmanian Orford/ Triabunna Region Chamber of Commerce to the inquiry into the regional partnerships program. Our submission outlines a project that has sought funding from the program and the subsequent treatment of the application.

The Chamber is very aggrieved with the present process and is seeking substantial change to the assessment and administration process and the present arrangements pertaining to criteria used.


Should you require further information please contact Chris Peterson in the first instance (Ph 0417 573231 or 62573231) or he may be contacted at the Chambers postal address; P.O. Box 89, Triabunna, Tasmania 7190.

Thanking you for

Yours sincerely

John Barry
PRESIDENT

Post Office Box 89
Triabunna, Tasmania 7190



INTRODUCTION

The Orford Triabunna Region Chamber of Commerce represents a significant number of businesses from the small Tasmanian East Coast towns of Orford (approximate population 457) and Triabunna (approximate Population 682). The towns are in the municipality of Glamorgan Spring Bay. The two towns have been traditionally heavily reliant on the Forestry, Fishing, and Agriculture industries. In recent years tourism has become increasingly important to the area.

The Chamber of Commerce for some time has been looking at a facilitating a project that would increase the viability of the region and reduce its dependence on forestry and in particular woodchipping. The establishment of an artificial reef (Dive Wreck) was seen as a practical way to grow the tourism industry with a project that added value and diversity, that did not require large amounts of infrastructure expenditure, was unique to Tasmania, was environmentally friendly, and provided a return on investment which would last for between 50 and 100 years.

1. PROJECT BACKGROUND

PROJECT COST

Total - \$602,000

- Completed planning to date – estimated costs (including in kind) - \$67,000; costs borne by Orford Triabunna Chamber of Commerce, University of Tasmania, Glamorgan Spring Bay Council
- Clean, tow the boat to site and scuttle boat + DPEMP - \$535,000
(Funding sought – State Government and Federal Government 50% of \$535,000 i.e. \$267,500 each)

Funding of the Federal component has been sought through the Regional Partnerships Funding process.

COMPLETED PROJECT PLANNING DOUMENTS

- Feasibility Study – consultant engaged by Chamber
- Baseline Environmental Survey and Report – Marine Scientist contracted by University of Tas
- Business Plan – consultant engaged by Chamber
- Marketing Plan – consultant engaged by Chamber

PROJECT SUPPORT

- Tasmanian Labour Government
- Tasmanian Liberal Opposition
- Tasmanian Federal Liberal Senate Team
- Tasmanian Tourism Council
- Glamorgan Spring Bay Council
- Freycinet Tourism Council
- Dive Tasmania
- University of Tasmania
- Marine and Safety Tasmania

The project has also had the editorial support of the two major newspapers.

The concept of an artificial reef is also supported by high profile persons and organisations including Professor David Bellamy (Marine Biologist), Greenpeace

(who have established their own dive wreck off New Zealand), and the National Marine Aquarium (UK). The Rand Corporation in a report to US congress has also cited the disposal of derelict ships as artificial reefs rather than scrapping them as the most ecologically responsible and economically feasible thing to do.

SOCIAL ECONOMIC AND ENVIRONMENTAL BENEFITS OF THE PROJECT

Social

- Assist with the restructure of the local economy ahead of an expected phase out of clear falling of native forests
- Provide diversity of jobs in a small town
- Add value and diversity to tourism
- Provide jobs for younger persons who now have to leave the area for work

Environmental

- Safely clean and dispose of a ship in Australia (presently most scrapped on beaches in India)
- Extension of marine park
- Replenish over fished area
- Return in numbers of the giant crayfish
- Opportunity for academic research and marine biology education

Economic

- Generate additional business turnover
- Increase tourist numbers especially international dive tourists
- Create new businesses

2. CHAMBER CONCERNS WITH THE REGIONAL PARTNERSHIP PROCESS

The Chamber of Commerce does not believe that the Regional Partnerships Program assessment or application process has objectively assessed or assisted our project and in particular wish to raise the following concerns:

- The Changing Criteria (“moving of the goal posts”)

The Chamber of Commerce first met the Area Consultative Committee Officials (from TEAC – Tasmanian Employment Advisory Council) in August 2003. At that time the Chamber had already commissioned and completed a feasibility study and an environmental study and report. TEAC officials then requested a Business Plan and a Marketing plan. These documents were then prepared and were subject to revisions and changes by TEAC over a period of months up until December 2003. An application form (based on a previous successful funding application for an artificial reef interstate) was then presented but was again subject to many changes over the next month as information already presented in the plans was resubmitted in differing formats. The application was then submitted to DOTARS in January 2004 but at subsequent meetings between the Chamber and DOTARS, the chamber was advised of more criteria and conditions

to be met. During the next two months of negotiations with DOTARS the proposed boat became unavailable and the project stalled. Another boat was subsequently identified in August 2004. Correspondence from DOTARS was issued in September 2004 which outlined additional criteria and conditions to be met which was acted on as the Chamber sought to have its application resubmitted. However DOTARS then redirected the Chamber back to TEAC who in November of 2004 issued another set of criteria of criteria and conditions. The Chamber is very aggrieved by this process.

- The length of time, cost and documentation required to reach the application form stage.

The Orford Triabunna Chamber of Commerce represents businesses from the two small Tasmanian East Coast towns of Orford and Triabunna which have a combined resident population of about 1,100 persons.

The Chamber in facilitating the planning for the project has gone to great lengths, and its planning documents have received commendation from the Tasmanian Government to the extent that it has been prepared to part fund the project. These documents have included:

- Feasibility Study
- Environmental Survey and Report
- Business Plan
- Marketing Plan
- Comprehensive Funding Application

The Chamber has been assisted financially and technically by the University of Tasmania, and the local Council. (Glamorgan Spring Bay Council). The planning works have been costed at approximately \$67,000. From the time the Chamber first met with the area consultative committee officials in August 2003, (and taking into account when the first boat became unavailable) it has taken 12 months of discussions, negotiations, conditions and bureaucracy and the project has not moved forward. The Chamber also notes that five artificial reef projects on the mainland have all received federal funding contributions, with funding being approved on the basis of information presented in funding application forms. The Chamber believes that no reports were required or were submitted by the respective applicants and that the onerous conditions which are being placed on the Tasmanian project were not imposed on the interstate projects. The Chamber also notes that all of the interstate projects have proven to be a resounding success in all respects; economically, socially, and environmentally and that the projects have gained an international reputation for excellence.

The Chamber is happy to provide further details if requested.

Chris Peterson
(Project Coordinator)