

11th July, 2008

The Secretary
Standing Committee on Infrastructure, Transport, Regional
Development and Local Government
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Sir/Madam

Thank you for the invitation to submit to the Inquiry into a New Regional Development Funding Program.

The Limestone Coast Regional Development Board is part of the South Australian Framework for facilitating economic and regional development. The Board was formed in 1992 and is funded in partnership with the South Australian Government through the Department for Trade and Economic Development and the South East Local Government Association, representing the seven (7) Councils in the South East of the State.

This submission is made in the context of the Board's long association and working relationship with the South East Area Consultative Committee and our knowledge of the various funding programs, in particular Regional Partnerships.

In addressing the Terms of Reference, we will provide commentary which covers those areas of future funding of regional programs, possible minimisation of administrative costs and duplication and a brief review of the former Government's practices with the aim of providing advice into the future.

1. FUTURE FUNDING OF REGIONAL PROGRAMS

The Terms of Reference seeks advice on funding of regional programs in order to invest in genuine and accountable community infrastructure projects.

Historically the Australian Government has had the capacity to be a key driver of many regional projects and funding often triggers co-investment and in-kind support by State and Local Governments, industry and communities.

Australian Government funding support is critical going forward, especially at this time of building capacity and reinvigorating communities affected by the impact of prolonged drought.

We note and strongly support the Australian Government's policy position and demonstrated intention to engage more closely with Local Government, regional communities and structures.

Our advice would be for Government to consider at least two (2) pools of funding for infrastructure projects.

- *One pool for community based projects.*
That pool could allow for applications from Local Government and community based organisations, for investment in infrastructure projects which build community capacity and which generally support the public good.
- *Another pool of funding for economic and regional development projects.*
Those projects could allow applications from Local Government, industry and regional development organisations and the private sector. The primary focus of projects funded from this pool would be as an aid to industry development, investment attraction and employment creation where such infrastructure support is able to demonstrate that it benefits a wide range of users.

We believe that eligibility criteria and guidelines established for those separate purposes, would assist both the application and assessment processes. Competition for funding is always likely to be strong, however, the separate pools could ensure that worthy projects in either category would not be pitched against each other in the assessment process.

Where State Governments have programs which have similar objectives, it would be useful if the application, assessment and reporting processes were complimentary to one another to reduce red tape and assist applicants.

2. MINIMISE ADMINISTRATIVE COSTS AND REDUCE DUPLICATION

This submission contends that there is considerable scope for achieving administrative savings and avoiding duplication, particularly in terms of the Australian Governments support for Regional Development programs. We will only comment in so far as our region of influence is concerned, however, we understand that a number of models exist where the opportunities are similar.

The Limestone Coast Regional Development Board in partnership with State and Local Government, has effectively established a "one-stop-shop" in Mount Gambier, delivering a range of services across the region, which includes:-

- The Board's own economic development and business advisory services.
- Export market development and advisory service in partnership with Austrade and the Department of Trade and Economic Development – SA.
- AusIndustry – Southern Regional Manager.
- Support service for Indigenous Business Australia.
- Support service for the Australian Taxation Office.
- South East Local Government Association.
- Limestone Coast Tourism – regional tourism marketing body.
- Food industry development program – Primary Industries and Resources SA.
- Regional Migration and Workforce Development program – the Board and Department of Trade and Economic Development SA.
- SA Works in the Regions program – training and workforce development programs, Department for Employment, Further Education, Science and Technology.
- South East Resource Information Centre – the region's GIS and Spatial Data mapping service.

This "one-stop-shop" with a strong bias towards regional and community development, comprises around 25 people which includes a centralised and shared reception, administrative support and financial management services for the various organisations and funded programs. It is largely through this shared approach that administrative savings are made and duplication reduced.

Other benefits gained from this model include, a single point of contact for a wide range of clients – marketing is focused.

Collaboration among personnel and organisations is such that clients can be supported in a way which gives them greater exposure to a wide range of programs and support. A team approach can be taken when delivering business development services and when project applications are made or clients matched to programs.

This submission is made on the basis that the Australian Government should consider the potential benefits for including its regional development funding programs as part of the structure outlined above.

3. THE FORMER GOVERNMENT'S PRACTICES

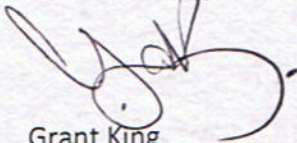
The only comment to be made in this section is related to the application and approvals process for project applicants.

We are aware of examples where projects have been subject to lengthy delays, either as a consequence of satisfying the application requirements at the local level or simply the time taken to assess and for notification of approval.

It would be useful if a more streamlined process could be introduced, which removed the need for local assessment as part of the approvals process. Often local Committees lack the ability to objectively assess some proposals and have become involved in restructuring applications. There could be instances where at the local level progression of an application could actually be blocked.

In conclusion, the Limestone Coast Regional Development Board believes there is considerable scope for engaging with the Australian Government at the local level in a transparent, effective and cost efficient manner and we would be pleased to provide further assistance or support to this Inquiry process if required.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Grant King', written over a faint circular stamp or watermark.

Grant King
CHIEF EXECUTIVE OFFICER