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SUBMISSION TO THE HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT & LOCAL GOVERNMENT

INQUIRY INTO A NEW REGIONAL DEVELOPMENT FUNDING PROGRAM

The Committee's report is to:

- 1. Provide advice on the future funding of regional programs in order to invest in genuine and accountable community infrastructure projects;
- 2. Examine ways to minimise administrative costs and duplication for taxpayers;
- 3. Examine the former government's practices and grants outlined in the Australian national Audit Office report on Regional Partnerships with the aim of providing advice on future funding of regional programs, and;
- 4. Examine the former government's practices and grants in the Regional Partnerships Programs after the audit period of 2003-2006 with the aim of providing advice on future funding of regional programs.

The Sapphire Coast Marine Discovery Centre wishes to thank the Standing Committee on Infrastructure, Transport, Regional Development & Local Government for the opportunity to submit our thoughts on this important matter.

Regions that are outside the major economic engine rooms of our Nation continually struggle for installation of or upgrades to vital infrastructure. The vital infrastructure components that must be in place before these regions can truly participate in national prosperity and growth are roads, transport, communications, hospitals and education facilities, solid foundations to build on. Markets and marketing, the ability to deliver a quality product onto the market on time and for a fair price that articulates its uniqueness or quality, will always succeed. We think that these fundamentals are often forgotten when Governments attempt to assist regions towards greater prosperity or more equitable sharing of national resources.

Many regions of Australia still regard agriculture and exploitation of the available natural resources around them as the primary gateway to economic prosperity. We are currently enjoying a resources boom so why shouldn't they. The escalation of regional economic activity fuelled by the resources boom has highlighted cracks and deficiencies in much of the basic infrastructure that government provides. Bottlenecks in product delivery are commonplace and demand for skilled labour is impossible to meet and energy prices are going through the roof. So we upgrade the transport infrastructure and redesign our ports to cater for the increased demand and the market gobbles up this increased capacity and so on until the boom turns to bust.

Best practice tells us that a spread of activity and investment is the safest and surest economic model and allows for wider and more efficient utilisation of infrastructure. The hard task is to turn the lucky country into the clever country. Another unhelpful cliché but true.

How does the Sapphire Coast Marine Discovery Centre help the Standing Committee with it's deliberations. The following points are our priorities;

- We think that Regional Development investment should be about investing in clever things, things that move us away from exploitation of natural resources especially in the raw form (zero value adding).
- In a regional context transport is not just about moving freight. The ability for people to move around freely is vital.

- Regional development needs to have a national strategy and move away from being a tool
 that Local Members use to foster support for themselves.
- Investing in education at a regional level is a must and a vital component in moving away from reliance on exploitation of natural resources. It is also a key factor in retaining younger generations within their home region.
- Marketing and having an understanding of your uniqueness within the market place should be a compulsory requisite. Developing this requirement needs professional assistance and support should be offered to project proponents.
- Underfunding of projects should be avoided. If a project is worth supporting then a pathway of support needs to be provided to completion. Incremental payments that are provided after milestones are met is likely to lead to better and more successful outcomes.
- An understanding that not all projects will be successful needs consideration. Regional
 development is about looking into the future. World economics is a melting pot, energy prices
 are rising and climate change is upon us. Innovation and 'out of the box' ideas and thinking
 need encouragement.
- Regional development projects need the support of all three tiers of government. Decisions about investment and ongoing support should not be made in isolation.

We sincerely hope that our submission is of use to the Standing Committee and wish to convey that the initiative of the Federal Government to assist regions of Australia to position themselves so that they can also enjoy the prosperity and opportunities that our Nation provides is strongly supported by the Sapphire Coast Marine Discovery Centre.

Chair.

Sapphire Coast Marine Discovery Centre