## House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government

Submission from Marilynn Horgan

# at the request of Mr Paul Neville Acting Chair, Roundtable Perth Sitting 30<sup>th</sup> July 2008

### to the

# Inquiry into a New Regional Development Funding Program

August 2008

This submission is at the request of Mr Paul Neville, Acting Chair of the Perth public hearing of the Inquiry into a New Regional Development Funding Program. *(ITRDLG 32, 30<sup>th</sup> July 2008)* 

#### **Proposition**:

That the parameters of the new regional funding program should not be limited to physical capital and infrastructure requirements and should take into account the funding of community, social, environmental and economic needs.

#### **1. Defining Regional Development**

Effective regional development requires policy and programs that are integrated and deal with the provision of infrastructure, industry development, expansion and diversification and measures to address a skilled and flexible workforce.

The "glue" for effective and long term regional development activity is community capacity building and cohesion and this crucial element should be considered as well as investment in community infrastructure. Human and social capacity building was identified as a key policy for regional development by the Government research paper - Interventions in Pursuit of Regional Development – Learning from Experience BTRE  $^1$ 

Capacity building is facilitated through knowledge clusters, educations and vocational training, devolution of administration to local level, community engagement in bottom up decision making and promotion of networks and partnerships.

The new program should take into account that healthy regions are built from a range of initiatives. Investing in community infrastructure is only one facet of long term regional development which includes economic and social development, community engagement and cohesion, community amenity and provision of services.

"...regional economic growth is driven by factors such as business costs, the size of the local economy, local industry structure, the competitiveness of local firms, critical mass, the amenity of the region, history, institutional support, infrastructure, the business cycle, national economic conditions, demand for the regions products, external shocks and industry diversity. Regional development is not simple." <sup>2</sup>

Confining the new funding program to the narrow interpretation of community infrastructure as bricks and mortar, will limit the impact of Australian Governments commitment to regional development as outlined in the ALP National Platform and Constitution 2007, Chapter 15 - Strengthening Regional Communities.

<sup>&</sup>lt;sup>1</sup> BTRE Working Paper 55 Government Interventions in Pursuit of Regional Development – Learning from Experience 2003

<sup>&</sup>lt;sup>2</sup> Collits (2002) What's Wrong with Enterprise Zones, Sustaining Regions

"Labor recognises that confident, inclusive communities create opportunities for environmental, social, cultural and economic development and lead to improved health, education and employment outcomes.

Labor is committed to community building which involves developing partnerships between local people, government, businesses, higher education research institutions and other agencies to improve places in which people live. Community building aims to find local solutions to local problems, increase social participation and develop networks within and across communities".

#### 2. Proposed Program for Regional Development

Purpose - To enhance the liveability, improve job opportunities and increase economic investment in Australia's regions.

To do this, the program will support projects that address:

- economic viability,
- vibrant communities,
- provision of economic and social services,
- urban renewal,
- community amenity and
- community infrastructure

#### **3. Regional Development at Work**

The following projects are examples of regional development that encompasses the broader terminology for building resilience in communities. These projects have received funding for elements other than strictly community infrastructure "bricks and mortar" and have delivered significant and on going benefits to their communities and beyond. Examples have been drawn from regional and metropolitan Australia and demonstrate the need for regional funding to have the scope to address the full range of professionally recognised regional development tools.

#### Caroline Springs Community Market.

The project received funding to go towards the engagement of a 'market coordinator' to set up the market in this newly established Delfin Housing Estate on the outskirts of Melbourne. The market does not operate during the winter and will reopen in October. The funding went to the Local Council, but they are in the process of handing it over to the community, so that it will be self-sustaining. The main benefits have been that it brought people into the estate, which lifted the profile of the shopping centre, and it provided a focal point for residents of this recently established community to come together.

#### WorkVentures Local Enterprise Centre - building the Airds Business

The Local Enterprise Centre provides a venue for several social and enterprise services all within one facility in this public housing area of South West Sydney. Since opening in November 2006, more than 20,000 people have visited the Centre to attend the range of courses available such as to gain a better understanding of computers, to learn how to start their own small business and even gardening workshops established by volunteers in response to needs of the community. Each weekday after 3pm there's an Internet Café for young people and volunteers act as mentors and show beginners how to use the computer. The highly successful course on market stalls led to a monthly market at the Airds shopping centre – it's all about empowering the individual.

Funding contributed to the fit out costs, a portion of the co-ordinator's costs and some program monies. WorkVentures partnered with the NSW Department of Housing, Campbelltown City Council, Department Juvenile Justice, Ian Potter Foundation, University of Western Sydney, Family and Community Services and Indigenous Affairs, the Bhagavat Educational Trust, Big Brother Movement (BBM) Foundation and the Department of State and Regional Development, ensuring that this project with a total value of over \$1 million became a reality.

The first twelve months of operations of the Centre has resulted in 24 community events with 1089 participants, 45 small business concepts being developed, 133 training events that involved 890 local residents, 46 young people involved in slingshot program and 41 people have found paid work.

#### North Katoomba Community Centre

The project funded the upgrade to an old 'Principle's cottage' in the grounds of the local primary school to transform it into a community hub and also funded the wage of the part time coordinator. These facilities became the base for partnership opportunities for over 10 agency and non-profit providers and the community to develop strategies / programs / activities that encouraged involvement by the community, particularly those disadvantaged parents with contact through the preschool or public school. The facilities allow for new service providers and professionals to access this community, which was not previously possible due to lack of resources.

Outcomes over the past two years have exceeded expectations. Working relationships established with the Neighbourhood Centre, Family Support Service and Aboriginal Culture and Resource Centre helped to strengthen referral pathways, coordinate activities and avoid duplication of services. Over 200 community members regularly attend activities, with 50 Aboriginal families newly engaged. Activities include: Play and Chat sessions coordinated with transition to school activities; Community Breakfasts for families; groups formed related to domestic violence, multiple births and single parenting – facilitated by parent assistant; Koori Kids club established; Kinship Carers group established for carers of children other than parents; Community Family Fun Day held each term and a Volunteer community room assistant program has been established. Project has been so successful that the Coordinators position has received ongoing funding from NSW Dept. of Community Services. The lead organisation managing the program has been funded to expand this model of service coordination and delivery to two other sites in the region.

### **ALOSCA Granules**

Funding led to the development and production of a seed treatment based on a 'local' problem. Early, light rains can start germination of seed and if there is no follow up the sprouting seeds will die. The cost to the economy can be measured in tens if not hundreds of millions of dollars.

This project led to the development and commercialization of a process that coats seeds in mud, therefore preventing germination unless there is substantial rainfall to sustain the seedling. The project secured regional employment and offers a genuine, tailored solution to a regional problem.

#### **Bunbury City Vision**

This major planning exercise aimed at positioning the city as the second city in WA over the next 10-20 years. A primary goal was to achieve a sign-off from all sectors of the community to a set of principles that will guide private and public sector investment in the city. The project was successfully completed and the City Vision Strategy has been used to facilitate decisions on major new facilities in the city, where the current statutory town plan was unable to. The City Vision Strategy is important because of massive new government (through Landcorp) and private sector investment already on the drawing board. Without the Vision, the existing statutory town plan could not guide decisions and the city would bog down in a series of fights between the development pros and cons that will stymie development for years.

#### **Eco-Detour Youth Automotive Project**

The Regional Partnerships program helped seed fund an automotive program that graduated 36 out of 41 participants into apprenticeships and employment within the West Australian automotive sector. Post funding, the program continued for a further 2 years under the guidance of the economic development team at the City of Wanneroo. At that stage, West Coast College of TAFE, as a major contributing partner saw such value in the program, that it made the decision to take over the entire project and relocate it to suitable industrial park premises.

The total project cost was originally less than \$180,000, but boasted credible and lasting partners such as the local business association and its automotive members who donated equipment and cars; the City of Wanneroo economic development and building and fleet departments; Department of Education & Training; West Australian Police Force for Driver Safety and Training Awareness; Job Network members Balga Job Link and Jobs West. The depth and longevity of the partnerships has grown the seed funding into a robust and award winning sustainable project for the region of Wanneroo located in the fringe urban region of metropolitan Perth.

#### Brisbane Bayside South Industry Supply Chain and Cluster Identification

This project identified the capacity for a "business to business" strategy harnessing the tremendous growth in the Port of Brisbane industry precinct. Forty firms participated (collectively employing 6700 staff) and covering food manufacturing, metal products manufacture, transport and logistics, chemical manufacture, business services and printing. Outcomes include:

1. A projected recruitment demand for an additional 1200 employees over a 12 month period.

2. Establishing a single contact point for employment, training, recruitment and skills development for employers in the Port of Brisbane industry precinct. DEWR funding was received as a result of this project for an industry development officer for 12 months and the position is still being funded by the State Government. The officer liaises with employment and training service providers and schools, and is involved in referral of mature aged and young people - skilled, semi-skilled & apprenticeships

3. Initiating supply clusters covering OH&S, maintenance and trade services, printing and office supplies and developing a capabilities profile covering major suppliers in the Bayside South to profile and market supply capabilities.

5. Developing a business services directory to provide overview information on the range and depth of capabilities and services in Bayside South.

### Midland Education Precinct

This project was funded to contribute towards testing the feasibility of the Midland Education Precinct concept and developing a business case for an integrated education precinct servicing the North East Metropolitan and Avon Arc region. This area has traditionally shown lower high school retention rates, lower educational attainment and lower access to tertiary education.

The project has enabled the successful delivery of tertiary places to Midland and significantly advanced the longer term development of the Midland Education Precinct with the allocation of 20 fulltime university places, the delivery of new tertiary courses and the appointment of an ongoing Education Development Officer to work on the facilitation of the tertiary components of the Midland Community Learning Precinct.

#### The Designing Futures Business Development

This project increased the potential of the craft and design sector to create employment opportunities and trigger investment into the sector by government and industry. The project included workshops, mentoring and project co-ordination, benefiting artists across the state with a significant emphasis on nurturing creative clusters. Designing Futures created long-term benefits for the artists and their communities with specific skill development, greater financial returns for artists, more diverse distribution networks, income stability, increases in number of staff employed and the number of successful product lines in the industry and in development.

#### Northcliffe Sculpture Park

This is a project that appears to be about funding infrastructure and indeed there is some in the total project cost of \$758,000. However, there is much more behind the development and implementation of this project.

Northcliffe is a tiny town of 650 people in the heart of forest country, and a long way from neighbouring service towns. It is still recovering from the double whammy of dairy deregulation and the shut down of the forestry industry.

The sculpture park project has galvanised community involvement in its economic future; almost every community group in town is a participant or supporter of the project. Many individuals have also committed in-kind or cash support. This is extraordinary!

Until a couple of years ago Northcliffe was a fractured, dysfunctional community, the centre of antipathy between greens (who supported the end of logging old-growth forests) and the traditional timber workers and their sector of the community (who saw the livelihoods disappearing).

It seems that the community sees the sculpture park project (unique in Australia) as both an economic boost through visitors to town as well as a way to celebrate the forest in images, stories, music and art. Northcliffe also receiving government funding for improvements to its recreation hall, which was all well and good for the indoor sports people, but it hasn't drawn the community together and built their capacity the way the sculpture park project has, and will continue to do as it reaches its full potential.

#### 4. In Conclusion

From mudded seeds to artist capacity building, community markets to industry capability building, the community getting together so kids can learn automotive skills, regional development funding is demonstrably far more than throwing up buildings and cutting ribbons.

Regional development is about opportunities, creating capacity, backing communities and finding local solutions to local problems.

The driving principle of this work is not to pigeon-hole or restrict, but to make judgments that can be hard to quantify, stimulate communities into positive action and to have the capacity to bring about projects that traditional programs could not dare to deliver.

"It is leaders, not government programs that drive regional development. It is local community drive and determination that makes things happen in small towns. The most that governments can do is provide support and funding for businesses and communities to drive development."<sup>3</sup>

<sup>&</sup>lt;sup>3</sup> Dr Paul Collits Regional Development : Future Policy Options

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