



21st July 2017

Senator Bridget McKenzie
P.O. Box 2047, Delivery Centre
BENDIGO Victoria, 3554

Dear Senator McKenzie,

Warrnambool City Council Comment in Respect to the Coalition Government's Decentralisation Agenda

Thank you for your invitation and an opportunity for Warrnambool City Council to submit comment in relation to the decentralisation of Government services. Council commends the government on any initiative designed to strengthen and grow regional centres, regional communities, and regional economies.

We advise that in early March we also provided input to the Government's inquiry into "*The operation, effectiveness, and Consequences of the Public Governance, Performance and Accountability (Location of Corporate Commonwealth Entities) Order 2016*", and the full submission is included with this response.

We also wish to take this opportunity to re-emphasise that we believe that the City of Warrnambool is a regional centre for health care, education, sport, culture and professional services. It is the focal point for a regional population exceeding 120,000 persons and is well positioned for the relocation of government bodies. Decentralisation initiatives provide a framework to facilitate and stimulate local, sustainable development throughout the regions while providing reduced operating and living costs for employees.

The relocation of government bodies to regional areas over time can provide considerable economic growth, stimulate indirect employment and improve labour force participation and unemployment rates in regional centres.

Warrnambool City is ideally positioned for relocation of certain government agencies due to;

- Existing human capital, business and industry
- Established major services including hospitals, universities and regional cancer centre
- Highly-regarded liveability factors including affordable property prices, lifestyle and healthcare services
- World-class ICT capacity including fibre-optic cabling linked to key stakeholders within the city

- Supports government's concerns to reduce urbanisation in the capital cities
- Regional airport and aviation park with a daily inbound and outbound flight schedule to Melbourne

It is important for the committee of inquiry to recognise the regional capital position Warrnambool city plays within regional Victoria. Warrnambool leads a very strong and diverse economy that includes knowledge services, advanced food, fibre and agribusiness, trade and logistics with world class health, education and tourism.

The decentralisation and relocation of federal or state government administration to Warrnambool should be considered, as it would provide mutual gains for the Great South Coast region's diverse economy, whilst supporting a cost-effective solution to government and strong liveability and lifestyle benefits in one of Australia's leading sea change destinations.

Input as provided to the Government's inquiry into "The operation, effectiveness, and Consequences of the Public Governance, Performance and Accountability (Location of Corporate Commonwealth Entities) Order 2016

For the purposes of this inquiry, Council endeavoured to limit comment to specific and relevant sections of the Terms of Reference and we now pass this on for your more detailed examination.

b. The Policy of relocating corporate Commonwealth entities with agricultural policy or regulatory responsibilities, including:

I. the identity of corporate Commonwealth entities that could be affected,

Warrnambool City Council clearly sees reciprocal benefit and national opportunity arising through the relocation of government services and/or and functions to regional areas, but more specifically for our region, the following departments:

Department of Agriculture & Water Resources
Department of Infrastructure & Regional Development
Department of Environment & Energy

Warrnambool, as part of the broader Great South Coast* region, strongly believes that our industry sectors are widely representative of a broad cross-section of industry and, in particular, activity directly influenced and impacted by the policy, initiatives and influences of the listed departments. Our region is home to a number of key manufacturers which include dairy, meat, emerging energy technologies, aluminium smelting, timber, mineral sand production and specialised industries such as fishing, pharmaceuticals and bluestone quarrying.

II. the policy's effect on the ability of affected entities to perform their functions,

In a "connected Australia" this policy should have no discernable effect on Government entities in the performance of their functions and delivery of services. Connection to the National Broadband Network NBN for Warrnambool is due for completion in March 2017.

Warrnambool and region is serviced by four return rail services to Melbourne daily on weekdays and three return services on weekends. Sharp Airlines operates two return services to Melbourne (Essendon) Monday to Friday and one return service on Sundays.

Travel by road to Melbourne is under three hours.

Offices for Victorian Government departments are located in Warrnambool and include Regional Development Victoria, Department of Environment, Land, Water and Planning, Department of Education, and Department of Human Services.

III. and, economic, environmental and capability implications of the policy;

Warrnambool is experiencing steady population growth of around 1.0 to 1.1 % per annum. However many of our surrounding Great South Coast group municipalities are experiencing negative growth and net population loss, often equal to or exceeding Warrnambool's growth rate. This results in an overall stagnation or decline in regional population growth for the Great South Coast and is a consequence of an ageing population, corporatisation and mechanisation of farming operations and our young people from smaller, rural communities drifting away to seek enhanced opportunity, including university, in metropolitan Melbourne or larger regional centres including Geelong, Bendigo and Ballarat.

The direct, in-direct and flow-on multiplier benefits of population growth are widely recognised. But they are even more pronounced the further they occur from a state capital, where the impacts of high-growth rates are often negative – such as loss of amenity, traffic congestion and pressure on essential services such as education.

Whilst Warrnambool is fortunate to have a campus of Deakin University based here, a recent business operations review and course rationalisation threatens the long-term viability of the university in our city. At the same time however, we believe it opens up the potential to develop industry and government partnerships in a practical research, teaching and learning environment that can tap into our region's strengths and capabilities as a food and fibre powerhouse and offer our young people a future in new and emerging occupations within agriculture and alternative energy technologies.

Economic, environmental and capability impacts would be predominantly positive for any regional city where a significant government function were to be relocated, providing that function was resourced and supported at its current levels.

c. the application of this policy to the Australian Pesticides and Veterinary Medicines Authority, including:

- I. the plan for relocation;**
- II. the ability of the Australian Pesticides and Veterinary Medicines Authority to perform its functions from its new location, and any consequent risks to:**
 - A. human and animal health;**
 - B. productivity and profitability to the agriculture and fisheries sectors;**
 - C. chemical industries; and**
 - D. Australia's trading reputation;**

Agribusiness is the backbone of the Great South Coast region. It is Australia's second largest dairy production area, with 21% of the nation's milk production and Victoria's largest herd and flock numbers. It is also a growth area for many new food producers and processors who are diversifying the traditional approach to land use with new and innovative products and approaches to marketing.

Accordingly, Warrnambool City Council can identify only positive outcomes arising from the application of this policy to entities such as the Australian Pesticides and Veterinary Medicines Authority. The ability of the APVMA to minimize consequent risks as listed can only be enhanced through co-location with a region representing a broad cross section of agricultural pursuits and the application of such chemicals.

Australia already possesses an enviable reputation as a clean, green and safe food producer. The Great South Coast region's produce is regarded within Australia as being among the best of the best our nation produces. Warrnambool City Council believes that locating a Commonwealth entity in any regional area that demonstrates wide ranging application of a substance or product directly regulated by that entity directly demonstrates commitment to policy.

Background to Warrnambool, and region:

The City of Warrnambool is located in south-western Victoria, about 260 kilometres from Melbourne. Warrnambool is Victoria's largest coastal City outside Port Phillip Bay and is one of Victoria's fastest growing regional cities with a current population of approximately 34,500. Warrnambool is considered the economic, education, health services, cultural and social capital of the Great South Coast* of Victoria (see map below), as well as being a popular tourist destination, attracting some 2.7 million visitors annually.



* The 'Great South Coast' comprises the LGA municipalities of Glenelg, Southern Grampians, Moyne, Warrnambool, and Corangamite

The strategic importance of Warrnambool is underpinned by its location as:

- the Victorian centre for dairying and milk processing;
- a centre with good quality rail and RPT air connections to Melbourne;
- the western gateway to the Great Ocean Road tourism region;
- a location of emerging importance for green energy power production (natural gas and wind power generation);
- a region delivering a five-year Food & Fibre Strategy and Action Plan
- a regional city with a 20-year forward supply of both housing and industrial (including aviation-specific) land;
- the strategic centre for a diverse regional economy

The Great South Coast covers 12% of Victoria and 110,500 (2011 ABS) people choose to call it home. Major population centres include Warrnambool (34,500), Hamilton (10,000), Portland (10,000), and Camperdown (5,200).

Should you require any further detail or clarification, please contact Warrnambool City Council
Director City Growth Mr Andrew Paton

Yours sincerely,

Andrew Paton

**Director City Growth
Warrnambool City Council**