

Submission to

Parliament of Australia

Standing Committee on Infrastructure, Transport, Regional Development and Local Government

On

Inquiry into a new regional development funding program

25 June 2008

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REGIONAL OVERVIEW

The Central Coast of NSW is located between Australia's largest city, Sydney, and the State's second largest population centre, Newcastle. It covers an area of 1854sq.km and has a coastline of 81km.

The region encompasses the local government areas of Gosford City and Wyong Shire, two of the largest local government authorities in NSW. The city of Gosford covers an area of 1,029 square kilometres, stretching east to the Pacific Ocean, south to the Hawkesbury River, west to the Judge Dowling Range, and north to meet the Cessnock and Wyong Shires on a border through Kulnura, Lisarow and Forresters Beach. Wyong Shire covers an area of 827 square kilometres and extends from Gwandalan in the north, to Ourimbah in the south and from the Pacific Ocean to the hills beyond the Yarramalong Valley.

The region has a mixed economy with the largest sectors being retail, manufacturing, property and business services and health and community services and a strong tourist industry.

Historically the Central Coast has been considered a dormitory area for Sydney and a corridor linking the State's two major population centres. This has resulted in inadequate attention to the development of the region and insufficient investment in infrastructure to service what has been one of the fastest growing regions in NSW.

It has also led to the Central Coast developing in a different way from other regions in that it is dependent on Sydney and Newcastle for jobs and for a range of services rather than developing in its own right, reducing its reliance on others and carving out an identity of its own.

In 2006 the NSW State Government released plans for the Central Coast region, Gosford City Centre and the Gosford Waterfront. At the time of writing, all these documents were the subject of consideration following public consultation periods. Notwithstanding modifications resulting from the consultation process, these documents will form the foundations for the development of the region and the key population centre of Gosford for the next 25 years.

Population projections for the next 25 years vary widely, however, it is not unreasonable to expect that an additional 100,000 will be resident on the Central Coast by 2030.

Already more than 35,000 people travel out of the region (mainly to Sydney) every day to work.

INTRODUCTION

Over the past two decades Australia has evolved into three economies – the capital cities, the city fringes or peri-urban areas and rural/regional Australia.

Each of these three economies displays its own characteristics and has its own set of problems and issues. Each, therefore, requires its own tailored solutions.

In the past, Governments sought to implement programs to cover the whole of the nation. In many instances, such as the delivery of unemployment services or child welfare payments, this was appropriate. However, when it came to regional economic development, funding programs which sought to address issues from the Sydney metropolitan area to Cape York found it difficult to make a real difference. Unfortunately, one size did not fit all.

This submission provides the inquiry with some of the experiences of the Central Coast region with the *Regional Partnerships* program.

HISTORY

The Central Coast region of NSW had modest success in the competitive environment of the *Regional Partnerships* program. During the life of the program between 2003 and 2007, more than 20 successful projects were developed in the region. \$14.5 million in total was invested in the projects with the assistance of the Central Coast Area Consultative Committee (CCACC). \$4.5 million was contributed to those projects by the Australian Government.

The following table illustrates total annual funding to the Central Coast region under the *Regional Partnerships* program, including total project costs.

Year	Total RP funding app (GST excl)	Total RP funding app (GST incl)	Total project cost incl RP and partner cont (GST excl)	Total project cost incl RP and partner cont (GST incl)
03/04	\$142,010.00	\$156,211.00	\$379,480.00	\$417,428.00
04/05	\$1,991,059.00	\$2,190,164.90	\$4,014,165.83	\$4,415,582.41
05/06	\$525,421.00	\$577,963.10	\$1,451,196.00	\$1,596,315.60
06/07	\$1,395,350.00	\$1,534,885.00	\$7,335,437.00	\$8,068,980.70
Totals	\$4,053,840.00	\$4,459,224.00	\$13,180,278.83	\$14,498,306.71
Annual average	\$1,013,460.00	\$1,114,806.00	\$3,295,069.71	\$3,624,576.68

REGIONAL PARTNERSHIPS PROJECTS

To assist the Committee understand the nature of projects funded, a snapshot is provided of the successful projects. The CCACC assisted many organisations to lodge successful applications for *Regional Partnerships* funding in the region. The following projects summarise the variety of ventures that have been funded under the *Regional Partnerships* program on the Central Coast during the past four years.

2003-04

Point Clare Base: Safety and Education Project Funding Provided: \$60,500 Total Project Value: \$145,916

Royal Volunteer Coastal Patrol – Point Clare received funding to modify the Central Coast Division of the Royal Volunteer Coastal Patrol operational base at Goodaywang Reserve, Point Clare.

Future Leaders Development Programme Funding Provided: \$29,711 Total Project Value: \$86,372

Surf Life Saving Central Coast received funding to develop and implement a leadership development programme for youth members of surf lifesaving clubs on the Central Coast.

Integrated Child and Family Service Funding Provided: \$66,000 Total Project Value: \$185,139

Wyong Shire Council received funding to co-ordinate work practices between the different agencies delivering child and family services in the Warnervale-Wadalba area, as well as to develop a business plan and a professional development calendar.

2004-05

Brisbania Before, After School & Vacation Care Centre Funding Provided: \$132,474 Total Project Value: \$234,127

Brisbania Before, After and Vacation Care Inc received funding to construct a purpose-built building for the provision of care for up to 100 children in the Saratoga and surrounding areas, South East of Gosford. The centre now employs five permanent and 15 casual staff and includes in its service a bus to collect and drop off children safely.

CC Volunteer Rescue Squad Funding Funding Provided: \$137,500 Total Project Value: \$490,770

The Friends of Central Coast Rescue Squad received funding to extend the headquarters and upgrade the rescue equipment of the Central Coast Volunteer Rescue Squad. New equipment included a new radio command and rescue base, which enhances the services it currently provides. This project benefits users of the Tuggerah Lakes system through an improved rescue service.

Peer Led Community Self-Management Programme Funding Provided: \$22,000 Total Project Value: \$113,454

The Central Coast Division of General Practice received funding to establish, implement and evaluate a community self management programme. This six week programme (2.5 hrs per week) assisted those with chronic conditions, such as arthritis, osteoporosis, asthma, heart disease, stroke and diabetes, to improve their quality of life. The programme equipped sufferers with the knowledge, skills and confidence to enable better management of disease-related problems.

Central Coast Youth Arts Space Funding Provided: \$165,000 Total Project Value: \$318,000

The Regional Youth Support Service received funding to develop an arts space in Gosford to provide access to arts and cultural activities for young people aged 12 to 24 years. Accredited vocational and recreational training, focusing on new business skills, such as marketable arts and cultural events, is also provided from the venue.

Spencer Community Progress Group Funding Provided: \$20,020 Total Project Value: \$25,520

The Spencer Community Progress Group Inc received funding that contributed to the construction of an asphalt multi-purpose recreational playing court for volleyball, netball and basketball, providing a sporting, recreational and social facility for the whole community. This new facility improves social engagement and physical activity in this remote township.

Central Coast Lifetime Learning Centre Funding Provided: \$151,170 Total Project Value: \$735,270

Wyong Shire Council received funding to construct the Central Coast Lifetime Learning Centre, which provides professional and practical tuition for students in bicycle road safety, bicycle skills and road traffic laws, as well as training for motorised wheelchair users. Located at Palmdale, near Ourimbah, the Centre, in partnership with Gosford City Council, comprises a bicycle training track, administration building, covered stadium area, grandstand, learner's area, access and parking.

Central Coast Business Portal Funding Provided: \$66,000 Total Project Value: \$222,640

Business Central Coast received funding to develop a powerful, feature-rich customised online portal for the Central Coast Region, providing services and information for businesses and other organisations in the region. The portal provides online forums for industry groups, and acts as a repository for knowledge about the region and encourages the greater use of e-commerce amongst local businesses.

Tumbi Creek Dredging Funding Provided: \$1,496,000 Total Project Value: \$2,244,000

Wyong Shire Council received funding to enable the dredging of 15,000 cubic metres of sediment from the mouth of Tumbi Creek and removal to a landfill site.

2005-06

Gateway Visitor Centre Funding Provided: \$275,000 Total Project Value: \$981,200

Central Coast Tourism Inc received funding that contributed to the building costs for:

• a Visitor Information Centre providing high tech, interactive displays of the Central Coast Region and the immediate areas to the north and south, and

• a Call Centre and training facility, providing a 24 hour booking service for accommodation and tours for the Central Coast and training for Ourimbah University students. The new Visitor Information Centre is designed to increase general tourism, visitor numbers, and subsequent visitor expenditure, to stimulate regional growth and jobs.

Terrigal Trojans Club House Funding Provided: \$269,550 Total Project Value: \$542,735

Terrigal Trojans Rugby Football Club received funding to assist with the fitout and equipping of the upstairs section of the new Trojans Rugby Clubhouse, at The Haven Oval. This project adds to community infrastructure by providing a new multi-purpose venue.

Upgrade of Kariong Rotary Club facilities Funding Provided: \$25,162 Total Project Value: \$55,825

The Rotary Club of Kariong-Somersby received funding to upgrade Phillip House for greater use by community organisations. The upgrade encourages community groups to utilize Phillip House for more activities, thereby increasing community interaction and social amenity.

Cycleway map and website Funding Provided: \$8,250 Total Project Value: \$16,555

Gosford City Council received funding to develop and publish a cycle way guide to showcase the Central Coast region as a premier cycling and holiday destination as 'only a "Ride Away' from Sydney or Newcastle'. It created an interactive website and a booklet, which highlight an alternative sustainable means to experience the many attractions of the region.

2006-07

Hawkesbury River Oyster Farmers Association Funding Provided: \$220,000 Total Project Value: \$709,500

The Hawkesbury River Oyster Farmers Association received funding to rebuild and retain their industry by converting to new cultivation techniques and growing oysters that are resistant to QX disease. This benefits oyster farmers and the local economy by retaining employment and income stream opportunities.

Norah Head Coast Guard Search & Rescue Funding Provided: \$20,900 Total Project Value: \$41,999

The Volunteer Coast Guard Norah Head purchased a new tractor of sufficient power capable of pulling a trailer to launch and recover an ocean going rescue boat. This project enabled the Norah Head Search and Rescue Association to perform rescue operations in a safe and reliable manner and respond rapidly to crises at sea.

Royal Volunteer Coast Patrol, Tuggerah Lakes Division Funding Provided: \$27,500 Total Project Value: \$90,934

The Royal Volunteer Coastal Patrol – Tuggerah Lakes received funding to build a Radio Command Centre on the shores of Tuggerah Lakes at a location suited for both radio transmissions and quick emergency response. Visitors can obtain the latest information on weather conditions, hazards and areas to avoid. It also serves as an education facility for mariners and boat owners to develop and update their skills.

Pearl Beach Hall Association. Funding Provided: \$66,000 Total Project Value: \$143,000

Pearl Beach Progress Association received funding to upgrade the facilities and amenities associated with the local community hall to enable it to meet the increasing demands of the wider community. The project encompasses the expansion of the kitchen and storage facilities, toilets and disabled access, insulation, lighting and landscaping.

Coast Guard Tuggerah Lakes Peel Street Wharf Funding Provided: \$19,982 Total Project Value: \$66,550

The Volunteer Coast Guard received funding to rebuild the wharf associated with the Coast Guard's activities on Tuggerah Lakes, which the public also uses to launch and tether vessels. The wharf is used in practical aspects of public training and education by the Coast Guard, thereby improving sea safety by boat users, and encouraging the community to enjoy the waterways of this region.

St John the Baptist Parish Woy Woy Regional Partnerships Funding Provided: \$110,000 Total Project Value: \$259,864

St John the Baptist Catholic Parish Woy Woy received funding to provide a large scale meeting venue in Woy Woy, which is available to the whole community. The project also restored and preserved a historic building and provided a place for community groups to meet.

Gosford City Council – Ozanam Regional Partnerships Funding Provided: \$1,011,102 Total Project Value: \$6,286,616

Gosford City Council received funding to enable the completion of Stage 3 of the Ozanam Recreational Facility at Kincumber. This facility provides leisure and recreational infrastructure including a sports ground, multi-purpose hard court surface, tennis courts amenities, cycle way and skate park. The facility encourages participation in community activity by the youth of the Kincumber area.

Wyong Shire Council – Bright Lights Regional Partnerships Funding Provided: \$59,400 Total Project Value: \$470,516

Wyong Shire Council received funding to provide lighting for community sporting fields, enabling sporting groups to increase usage of those fields available for clubs and teams in the area. Flood lighting these fields encourages a continuation of sporting and community activities on the Central Coast and improves the social fabric of the community, improves and maintains physical fitness and continues to offer sporting opportunities that would otherwise be lost due to field closures as a result of the water shortage in the region.

ANALYSIS

With two exceptions in 2004-05, Central Coast Volunteer Rescue Squad project and Tumbi Creek dredging, all projects were developed in consultation with the CCACC, a process which, during the life of the program, worked well in this region.

All of the projects developed with the CCACC currently contribute, and will continue to contribute, to the social and environmental fabric of the Central Coast region. These were worthy projects and met a community need.

Regrettably, however, in terms of the economic development of the region, the program had limited impact. These projects generated few new jobs and contributed little to existing economic activity.

Their most significant contribution was in the social fabric of specific areas, providing community facilities and amenities, enhancing safety and well being. In the long term, however, they will play a role in making the region more attractive to new residents who will contribute to the economic development of the region.

There were also administrative issues in the past regarding the *Regional Partnerships* program. Jobs are largely created by private enterprise, however the "competitive advantage" rules as they were applied, prevented funding of private enterprise projects, particularly in a region comprised mainly of small businesses.

There were significant delays in processing applications (e.g. in some cases in excess of six months). This proved to be a significant disincentive for applicants. They could not make any decisions regarding projects with any confidence that their application would be determined within a reasonable time, or within the three months as stated in the program guidelines.

FUTURE GRANTS PROGRAMS

Comments in this submission relating to future grants programs will largely deal with the area in which the Central Coast region considers itself positioned, notably, the outer urban area of major a metropolitan centre or peri-urban area.

Fundamentally, the CCACC believes that any grants program must be designed to be relevant to the region which it seeks to benefit. As stated previously in this submission, Australia has evolved into three economies – the capital cities, the city fringes or peri-urban areas and rural/regional Australia. Each of these three economies displays its own characteristics and has its own set of problems and issues. Each, therefore, requires its own tailored solutions.

In the case of peri-urban areas, many, such as the Central Coast of NSW, have experienced rapid growth during the past couple of decades and unfortunately, investment in essential infrastructure to the level needed by the community has not been forthcoming from government.

Added to this is the size of these regions – in the case of the Central Coast the population now exceeds 305,000 people with as many as 25% of the local workforce, some 35,000 inhabitants, travelling out of the region every day to work. This not only puts a strain on local infrastructure but places demands on the metropolitan and inter-urban transport systems used to carry these people to work every day.

Many of these regions, because of their locations close to a major metropolitan area, struggle to establish an identity of their own and in the past this has contributed to the difficulty in attracting investment from both government and the private sector.

The rapid growth in population, in many cases brought on by relatively cheaper housing prices, has brought with it the social problems being experienced in the cities.

As well there are a number of features of the Central Coast, which highlight the need for grants programs to be specifically designed for such regions. Relative to New South Wales overall and the Sydney Region, the Central Coast has lower levels of human capital, reflected in lower average education levels and a lower incidence of post school qualifications; continued high levels of unemployment, despite declines at a national and state level; lower individual and household income levels; lower average labour force participation rates; a higher incidence of persons employment; a higher share of persons in trade occupations; and a much lower share of persons employed in professional occupations.

Secondly, the government of the day is also entitled to further its agenda and therefore this direction and way of doing things should be reflected in the design of any new program. The previous government sought to deliver many of its programs through the states, resulting in a lack of control, distortion of program objectives and activities and dilution of recognition of the Commonwealth's contribution.

Most importantly, however, grants programs must assist the people of the particular area to realise their aspirations for their region.

The principles, therefore for future grants programs, should be based on the following points:

- Any grants to regions must be related to locally developed strategic regional economic development plans;
- Plan development should be co-ordinated by Regional Development Australia (RDA) local committees (previously Area Consultative Committees) in consultation with local state government sponsored regional development boards, state government development agencies,

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local government councils, local employer groups and major industry sectors and community organisations;

- Any grants must relate to previously identified issues; \geqslant
- \triangleright Grants for new or emerging issues must be based on a business case.

The "themes" of future grants programs should be the subject of recommendation by the national Board of Regional Development Australia after receiving submissions from RDA local committees.

Grants from the Commonwealth which are the subject of existing agreements with the states, such as the funding of health and education delivered through state agencies should continue to be dealt with under existing structures.

CONCLUSION

The CCACC believes that it is important for the Commonwealth to continue to offer funding to the different regions of Australia to facilitate local communities to realise their aspirations. It is doubly important, however, that these funds come direct from the Commonwealth, not through the States and that they actually reflect the aspirations of those communities. RDA local committees are the logical body to provide the focus for the Commonwealth's efforts in the regions, providing a communications channel in both directions regarding needs and issues and advice to government on appropriate expenditure.

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