Dear Sir,

RE: SUBMISSION – INQUIRY INTO LOCAL ECONOMIC DEVELOPMENT INITIATIVES IN VICTORIA

Central Goldfields Shire Council refers to the above Inquiry and responds to the terms of reference as follows:

(a) existing local economic development programs in Victoria municipalities

In Council's case economic development is at the forefront of activities. Council works to attract investment and employment; increase population; and generally to stimulate economic and community growth.

Council does this in a number of ways including:
- directly working with prospective businesses to establish/relocate,
- working with existing businesses re expansion,
- providing an environment (both physical infrastructure and general amenity and support) supportive of and conducive to business.
- promoting the Central Goldfields brand.

These activities may include development of industrial estates; direct facilitation of new businesses; supporting local business groups; championing of new initiatives such as development of the Goldfields as Australia's First National Heritage Region; facilitating major residential and retail projects.
(b) the appropriate role of local and state government in generating economic development

Local government must play a role in generating economic development. The nature of local areas (specific aspirations etc.) means that economic development, whilst sometimes having a regional context, will be competitive. This is a difficult balance for State Government.

Economic development in rural areas is largely driven by local leadership and growth is often local expansion, making it vital that local government play a pivotal role.

The Regional and Rural Development department is an appropriate agency within State Government – its programs and processes could be reviewed.

(c) the difference in economic development roles between rural and metropolitan municipalities

From its knowledge Council would say the roles are different with the metropolitan based municipalities being ‘enablers’ in terms of land-use etc. while rural and regional areas are that too and also very much initiators, facilitators, and drivers of projects, programs and economic activity.

(d) barriers to local economic development – including, but not limited to, compliance costs, planning delays – and solutions to address these

In smaller municipalities major projects and initiatives require the resources of senior personnel – most often the CEO – and many proponents expect that level of seniority. Whilst this can provide ready information and decisions it also consumes much resource.

More timely responses from Regional and Rural Development and more flexibility in programs would be most beneficial.

For example, local projects are initiated, progressed and supported, initial State Government discussions are productive, and the application/approval process that follows is often far too long.

In terms of flexibility/responsiveness, an example is Council’s work to relocate (and subsequently grow) a Melbourne based company to Maryborough. Council negotiated applicable contracts of sale and leases etc. for a major food manufacturing to relocate. The company was eager to have as many staff as possible relocate and Council obviously supported this position.

Council attended the company’s site in Melbourne, presenting information and providing material. This was followed by busing the employees and their families to Maryborough for a town tour, inspection of the new manufacturing facility, and having available representatives of various community organisations (including schools and housing agents). What would have been helpful would have been financial support/resources to assist in such exercise. These undertakings happen within relatively short time-frames and the existing programs and timelines do not allow for same.
A real barrier to local economic development is the reality of small municipalities being asset rich and income poor. Heritage streetscape is an obvious example. Ironically the richest heritage is often found in the smallest/poorest municipalities. How to convert a maintenance burden to an economic opportunity?

(e) ways in which municipal councils and the Victorian Government can jointly support local economic development to promote employment and new investment

Localities with emerging economic potential, and, regional collaboration are very relevant concepts. Central Goldfields Shire is very much transitioning to a new economy — in response to new technologies, geography, and opportunities. A couple of points:

- in today’s world regional collaboration is vital for growth — be that for example joint projects (First Heritage Region) or growth corridors (Maryborough Ballarat rail corridor)
- start up businesses in rural locations have less access to support — to mentoring, like businesses, marketing etc. There are opportunities for assistance.
- there seems to be a lack of full recognition of the infrastructure capacity in rural Victoria. Towns have surplus electricity, water, gas etc. and can accommodate businesses where metropolitan areas may be challenged and have competing demands.
- conversely there also needs to be recognition of where provision of infrastructure can fast-track growth and prosperity for a region. For example the township of Talbot, located on the Maryborough Ballarat rail line and in the designated growth corridor in both the Central Highlands, and, Loddon South growth plans, is currently restricted by lack of sewerage. Investment in such would facilitate significant growth.
- initiatives such as the inaugural Regional Living Expo in April, 2012 are excellent State/Local projects — providing critical mass and still allowing for individual flavour.

(f) best practice local economic development initiatives

Potential case studies:

i) Relocation of True Foods Pty Ltd. from Braeside to Maryborough, including the relocation of 32 employees. Previously employing 85 the company relocated in September, 2011 and is currently employing 144 with further growth underway.

ii) Council’s championing of the project to establish the Goldfields as Australia’s First Heritage Region — providing a world class tourist destination.

iii) Council’s facilitation of the redevelopment of former school sites in Maryborough following the establishment of a new education centre on a Greenfields site.
Council appreciates the opportunity to have input to this Inquiry. Should the Committee have any queries whatsoever please do not hesitate to contact me.

Yours sincerely

Mark W Johnston
CHIEF EXECUTIVE OFFICER