Mr Neale Burgess MP  
Chair  
Economic Development & Infrastructure Committee  
Parliament of Victoria  
Parliament House,  
Spring St,  
Melbourne, Vic, 3002  

13th August 2012.  

Inquiry into local economic development initiatives in Victoria  

Dear Mr Burgess,  

Please find enclosed Mildura Development Corporation’s submission to the above inquiry.  

Mildura Development Corporation Inc (MDC) is responsible for facilitating economic development activity within the boundaries of the Mildura Rural City Council including new investment and the growth and development of existing businesses. MDCs vision is “Our Region. Our Prosperity”.  

Mildura Development Corporation is funded via a differential rate applied to businesses within the Mildura Rural City Council municipality. We have a funding and service agreement with Council to provide economic development services, and, in turn, report to the full Council on a quarterly basis. MDC has an independent Board representing local business and industry.  

This submission includes a copy of our latest Annual Report, which demonstrates the work undertaken by our organisation over the last twelve months across the geographic boundary of the Mildura Rural City Council.  

I look forward to the findings of this Parliamentary inquiry and to continue to work with the Government in addressing the economic development requirements of rural and regional communities.  

Kind regards,  

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Chief Executive Officer  

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Parliament of Victoria  
Inquiry into local economic development initiatives in Victoria  

Terms of Reference:
   a) Existing local economic development programs in Victorian municipalities  
   b) The appropriate role of local and state government in generating economic development  
   c) The difference in economic development roles between rural and metropolitan municipalities  
   d) Barriers to local economic development – including, but not limited to, compliance costs, planning delays – and solutions to address these  
   e) Ways in which municipal councils and the Victorian Government can jointly support local economic development to promote employment and new investment  
   f) Best practice local economic development initiatives.

Submission from Mildura Development Corporation

Introduction:

Mildura Development Corporation Inc (MDC) is the peak regional development organisation for the Mildura Rural City Council. Funded through a differential rate, levied on businesses within the municipality by Mildura Rural City Council and split evenly between MDC and Mildura Tourism, Mildura Development Corporation has an independent Board and governance structure and has a funding and service agreement with Council to deliver on key indicators including:

- Number of investment enquiries fielded by MDC  
- Dollar value of directly facilitated business investments in Mildura  
- Number of jobs generated as a result of directly facilitated investments in Mildura  
- Customer satisfaction with local economic development services and achievements  
- Number of business networking and training forums organised and/or facilitated by MDC  
- Advocacy – number of submissions made to State and Federal Governments on key economic development matters  
- State and Federal funding grants secured by MDC  
- Other funding assistance secured by MDC

Response to Terms of Reference:

a) Existing local economic development programs – Mildura Rural City Council

Mildura Development Corporation commenced operations in 2009, after a decision taken by Mildura Rural City Council in 2008 to have an external independent economic development organisation. A Strategic Planning exercise was commenced with 5 key goal areas established:

- Work with industry and business in facilitating growth in the Mildura Region  
- Attract and develop new investment opportunities
• Assist in building a vibrant and sustainable community
• Develop productive strategic alliances with relevant funding providers
• Consistently engage with our stakeholders

Mildura Tourism is also an incorporated association which operates externally to Council, with an independent Board of industry stakeholders. Mildura Tourism has been in operation for over 10 years and receives 50% of the differential rate.

"Mildura Tourism is the peak regional tourism authority in the Mildura and Wentworth regions and is responsible for:

• Uniting tourism interests in the region for the purpose of coordinating destination marketing
• Product development (i.e niche product, touring routes)
• Quality service and education

As an independent incorporated organisation, Mildura Tourism is membership based.

Mildura Tourism's boundaries cover both the Mildura and Wentworth Shire.

While encouraging professionalism and best practice in the local industry, Mildura Tourism professionally and proactively markets the region’s diverse range of attributes to both domestic and international markets, and aims to create a sustainable future for the entire Mildura and Wentworth community." (visitmildura.com.au)

b) examine the appropriate role of local government in generating economic development and review the allocation of responsibility in this area with the State Government

Mildura Development Corporation works very closely with Mildura Rural City Council, Regional Development Victoria (under the Department of Planning & Community Development) and Department of Business & Innovation.

When new investment opportunities arise, MDC will ensure that representatives from the above organisations are included in meetings with investors to maximise the amount of leverage and assistance that can be provided to facilitate and secure project development.

c) examine whether the role of local government in rural and regional areas has different economic development tasks to that of metropolitan based municipalities

Each region will have differing priorities depending on the geographic and local circumstances, however there will also be a range of shared challenges and opportunities that impact on businesses across the State. Distance from ports and major centres, coupled with transportation, may be one area of economic development that will have precedence in rural and regional areas. In the Mildura region, water security and water policy has a major focus in terms of regional development, which may not have quite the same impact for metropolitan based municipalities.
d) identify the barriers to local economic development, including compliance costs for business and planning delays in operating in local municipalities and develop solutions to address these barriers.

Compliance is still a major issue for businesses across the Mildura region and this was highlighted at the recent Regional Business Leaders Forum facilitated by Department of Business & Innovation. Payroll tax and land tax were two areas that business felt were disincentives to growth and productivity.

Another major barrier that was highlighted was the lack of skilled staff available in rural and regional areas which is also a barrier to productivity growth.

e) examine ways in which municipal councils and the Victorian Government can jointly support local economic development, enhance and promote employment and attract new investment, especially in localities with emerging economic potential; and

Responsiveness to investment inquiries is of great importance and working collaboratively across government and local government sectors is important in facilitating new investment and development opportunities.

Identifying strategic advantages for various geographic areas across Victoria will also be of benefit in directing investment opportunities to where the best strategic advantage for that project is likely to be. For example, the north-west of Victoria has the infrastructure, climate and solar exposure for large scale solar developments. Also the Mildura region is renowned for its horticulture, food processing and dryland farming, which are the primary economic drivers for the area. Facilitation of investment in these activities, and supporting government policy, can provide further opportunities for economic and employment growth across the region.

f) investigate best practice local economic development initiatives relevant to the terms of reference.

Please refer to the Mildura Development Corporation Annual Report 2011-2012 for further information on outcomes across the last 12 months.