Submission to the Victorian Parliament Economic Development and Infrastructure Committee

Inquiry into local development initiatives in Victoria

Ambitions into Achievements Pty Ltd.
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PO Box 234
Chelsea, Victoria, 3196
Introduction
Ambitions into Achievements through its trading arm Approved Supplier Management (ASM) works throughout Victoria assisting the fresh produce industry including the field and hydroponic fruit and vegetable growing, packing and export and the egg industry from production to distribution. As such we get to see the need for policies and initiatives that support the continued operation and allow for the expansion of these industries.

Economic development as seen by ourselves appears to be managed in a pompous and non-innovative manner with success more a matter of good luck and /or the drive and persistence of individuals in the private sector than as a result of an “achievement thinking” approach** by Local Government or State officials.

In this submission we will address the following of the terms of reference:

(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.

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

(d) Identify the barriers to economic development, including compliance costs for business.....

(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.

Observed issues
We acknowledge that there are often planning and red tape issues that inhibit fast tracking of business start-ups across the State. Our observations however are that in rural and regional areas additional inhibitors fall into three categories: attracting adequate numbers of potential employees, training and the attitudes of many bureaucrats.

Throughout rural Victoria there are many town and villages with small to medium enterprises capable of expanding or offering the opportunity for allied business to start up. Often there is a mismatch between housing and potential employees to meet the staffing needs of existing businesses let alone any new or expanding economic activity. In many cases the prospective employees are best sourced from a local community as by the nature of agricultural pursuits the work available may be either seasonal (where long hours may be necessary over a few months) or part-time (i.e. 4-6 hours per day). This creates the classic ‘chicken and egg’ dilemma whereby economic development can’t occur without local people yet additional local people will not materialise as there is no suitable accommodation available. The monitoring and advocacy for additional accommodation in small towns and villages is beyond the resources of most potential businesses. **Local Government is the logical body to monitor available private and public sector housing resources/needs with the municipal boundaries and advocate for additional public or private sector housing for specific villages and towns therein.** An example of where a better outcome could be provided is found at Bridgewater where a lack of a pool of local potential employees sees staff sought from as far as 50km away and foreign workers imported to fill semi-skilled positions. In this instance if Local Government had the appropriate data at hand it could have been advocating for both additional public housing for the town and greater utilisation of land within the current town boundary if possible.
Throughout the agricultural/horticultural sector economic development is often retarded by a lack of targeted short courses at TAFE facilities. This has become a greater issue as consumers and the major supermarket chains have become increasingly demanding in relation to food safety matters. We now face a need for regular retraining in chemical handling and the HACCP methodology of multiple staff per supplier. While these subjects should be in every food production orientated Certificate or Diploma course they are never blocked into 1 day or ½ day blocks so that they can be concurrently offered to potential attendees outside the immediate course. This results in a loss of potential revenue for the TAFE but loss of service opportunity to local community which can be more serious. The upshot is that farm employees are forced to travel to Melbourne with 2-3 overnight accommodation costs to attend private RTO trainings; a substantial impost on their businesses and often a difficult task in small operations when 20-50% of the staff need to be away from the farm. The State Government should play a role in requiring TAFE course designers to provide sections of their core trainings available in ‘block’ form for casual local attendance.

One of the major compliance imposts on business is the approach of WorkSafe. In the food safety and quality compliance certification to the Global Food Safety Initiative (as required by Coles and Aldi etc) most requirements are well defined either in legislation or through the HACCP approach and are then risk assessment based for the individual business as well as externally audited. This is not so with WorkSafe. Our observation is that WorkSafe inspectors appear and if not investigating a specific breach of a regulation seem obliged to find anything to issue an Improvement Notice against. The power in such situations is unbalanced with business feeling threatened and powerless to resist or protest as there is no independent referee to adjudicate. The State Government needs to seek a more equitable approach to managing safe working environments. One possibility is to allow external audit to a standard or safe working code such as one based on a HACCP style risk assessment approach and/or one imbedded in a public code such as the ‘SQF Ethical Sourcing Module’.

Recommendations
- In rural areas Local Government has a role in monitoring housing availability to support the expansion of remote economic development and to advocate for additional public and private investment as often as possible.
- Local economic development in rural and regional Victoria would benefit from a redesign of the delivery of sections of current training courses to accommodate casual attendees.
- The cost of WorkSafe compliance needs to be controlled by more specific definition of the requirements together with a risk based assessment of those and each applicable situation.

** an attitude readily described by Richard Prebble in his book “I’ve been thinking”.