



10 April, 2015

Hon Jaala Pulford, MP
Minister for Regional Development
Minister for Agriculture
Via email: REDS.review@ecodev.vic.gov.au

**Submission to Review of DEDJTR Regional Service Delivery Model and Strategic Directions
for Regional Policy**

Dear Minister

The Committee for Gippsland welcomes the opportunity to provide input to the Victorian Government's *Review of the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) Regional Service Delivery Model and Strategic Directions for Regional Policy* (the Review). The Review provides a timely opportunity to explore the current and future strategic direction of Regional Development Victoria, and investigate areas that are currently working well, or could be improved upon. The Committee for Gippsland acknowledges the terms of reference, and has consulted comprehensively with our members in preparing a formal response.

The Committee for Gippsland is the peak business and industry led advocacy body for the Gippsland region, comprising nearly 90 member organisations, and collectively employing around 10,000 Gippslanders. Sector neutral, there are members drawn from transport, agribusiness, manufacturing, university, TAFE and vocational education, water management, chambers of commerce and community organisations, tourism, healthcare, construction, energy and resources, and professional services.

Broadly, the Committee for Gippsland believes that the unique Victorian model of Regional Development Australia committees and their interface with Regional Development Victoria works well and should be retained. This submission does however make some practical recommendations on the strategic and delivery aspect of RDV where some scope for improvement can be gained. The Committee for Gippsland is strongly of the view that jobs, export opportunities, manufacturing, agribusiness, higher education and infrastructure are significantly important to regions, and should be a core focus of RDV's strategic priorities.

Overview of the Gippsland Region

Gippsland is a diverse and resource driven region. It is 4.2 million hectares in size, with a population of nearly 260,000 people. By 2026, this is forecast to grow to over 300,000. With an average travel time of around 90 minutes from Melbourne, Gippsland is serviced by freeway and express V/Line rail. It is one of Victoria's eight key regional growth areas.

The region's top five industry sectors include manufacturing, construction, mining, agriculture, forestry and fishing, and electricity, gas and water supply. Combined, these sectors represent approximately \$16.67 billion, or 58.8 per cent of total regional output. They also generate approximately \$9.46 billion, or 88.3 per cent of total regional exports, which is estimated at \$10.71 billion.¹ Milk production alone comprises about half the total value of Gippsland's agricultural commodities and earns an estimated farm gate value of \$624 million. The gross value of forestry and timber products in Gippsland is \$1.2 billion.

Victorian Regional Community Leadership Programs

The Committee for Gippsland has formally engaged with Regional Development Victoria across several areas. As the parent organisation to the Gippsland Community Leadership Program (GCLP), the Committee for Gippsland is the legal entity responsible for the management and delivery of GCLP. This is a similar delivery model to Ballarat and Geelong, where the *Committee for* organisation hosts the region's community leadership program. GCLP is one of ten Victorian Regional Community Leadership programs which receive funding from Regional Development Victoria for program delivery. This model was initiated under the previous Victorian Government and has been strengthened under the current Victorian Government. It is pleasing to note the level of bi-partisan support and recognition of the important role that regional community leadership programs play in identifying, developing, mentoring and delivering leadership capacity to regional Victoria.

The RDV funding has assisted Victorian Regional Community Leadership programs to significantly enhance their program delivery capacity to identify, foster and develop community leaders from within their own regions, but was set to expire at the end of this year. The Committee for Gippsland strongly welcomes the Victorian Government's commitment for a further four-year agreement.

In 2011, the Committee for Gippsland took on the auspicing role of the Gippsland Community Leadership Program, which having been established in 1996 is one of Australia's most prestigious and longest running regional community leadership programs.

¹ *Gippsland Regional Plan*, 2010:

http://gln.com.au/index.php?option=com_content&view=article&id=4&Itemid=4

This year, the Gippsland Community Leadership Program will celebrate its twentieth milestone, having graduated nearly 500 Gippsland alumni, among which include former Victoria Police Commissioner Ken Lay. More than two thirds of GCLP alumni either live or work in Gippsland, and many have senior public positions or management roles in business, industry, government, and the not for profit sector.

Many graduates also contribute the leadership skills and knowledge they have acquired from GCLP back into the community, through volunteering and community organisations including football clubs, local government, and school council roles. GCLP, and other regional community leadership programs around Victoria like it, offer people living in rural and remote regions the opportunity to acquire skills that directly benefit their community, in regions where that opportunity may otherwise not exist.

The Victorian Regional Community Leadership Programs were surveyed about their alumni in mid-2012, and found that:

- Graduates contribute \$13 million worth per annum of volunteering activity in regional Victoria. This represents a significant social impact for rural and regional communities developing their strengths and resilience. Graduates volunteer in over 1300 community organisations including Arts/Heritage, Welfare/ Community, Business/Professional, Education and Training, which is higher than the level recorded in the ABS 2011 census data on volunteering.
- These leadership programs have been recognised for their excellence in program delivery through the attainment of many business and community awards.
- Alumni participate in community engagement activities including on boards, committees, as mentors, in administration (coaching, umpiring, etc.) and on school boards.
- Collectively, the ten Victorian regional community leadership programs now have alumni of over 2,500 active leaders who have the opportunity to continually develop their skills and networks through participation in workshops, master classes and regional leadership events.

Participants surveyed highlighted the following top three responses from their programs:

- 1) *the difference I make to my community*
- 2) *the sense of purpose it gives me*
- 3) *the connections I've made.*

Extrapolating the above figures suggests that Gippsland (which represents more than 20 per cent of the total alumni of the Victorian programs), sees upwards of \$1.8 million worth of volunteering within Gippsland, and potentially up to \$2.5 million worth of total volunteering. Measured at a cost average of \$35 per hour, this represents more than 50,000 hours contributed back into the community of Gippsland.

The four year commitment from the Victorian Government will continue to make an overwhelmingly positive impact on regions like Gippsland. In this respect, the engagement with Regional Development Victoria is working well and should be commended.

Engagement with RDV on Committee for Gippsland projects

The Committee for Gippsland has worked on a number of projects with Regional Development Victoria. This has included support in the development of the first Committee for Gippsland Strategic Plan, a collaborative engagement series with industry through the Future Gippsland Group, the preparation of the Gippsland Freight Infrastructure Master Plan, and the delivery of the Gippsland Investment Prospectus. All initiatives have been highly successful and provided tangible benefits directly to the Gippsland region.

Throughout these efforts, a number of observations can be made where management and engagement with stakeholders could be improved:

- A higher than average churn of RDV staff has meant that continuity and corporate knowledge of projects is disrupted, and individual responsibility is diminished
- Clarity around the role of RDV officers for particular projects could be improved, so that ongoing responsibility around oversight, management and outcomes is clearer
- Scope and expected outcomes of projects needs to be adequately communicated to all RDV staff involved in a particular project

RDV funding of projects like the Gippsland Freight Infrastructure Master Plan has meant that important initiatives that interact and elicit feedback and information directly from local communities have the resources to be undertaken. In the example of the Gippsland Freight Infrastructure Master Plan, this project worked with local transport operators to identify immediate priorities and projects in Gippsland.

The priorities articulated through the research and stakeholder engagement phase were collated in the final project, and subsequent to its launch in February 2013, have delivered nearly \$100 million in direct funding for priority projects in Gippsland, such as the Longwarry/ Sand Road Interchange and Leongatha Heavy Vehicle Route.

Engaging industry and community through collaboration with organisations like the Committee for Gippsland increases stakeholder engagement and draws more directly from applied industry knowledge, for example in the transport sector. These project initiatives have worked well for the Gippsland region, and should be continued.

Feedback from Committee for Gippsland members

The Committee for Gippsland has engaged extensively with its member organisations to gather feedback and input in preparing this submission. Engagement has been facilitated through:

- Written feedback sought and received from members
- Face to face, individual meetings with members
- A facilitated workshop with members.

All up, over 30 member organisations of the Committee for Gippsland have directly contributed to the preparation of this submission. Feedback from these members is predominantly based on their own individual interaction with RDV, specifically via the RDV Gippsland office.

Feedback provided through this engagement can be condensed into three main groups; challenges, strengths and opportunities:

Challenges	Strengths	Opportunities
Impact and achievements of regional office are very dependent on individual ability of regional director.	Success dependent on ability of regional director.	Empower regional director with all regional staff reporting directly to regional director. Provide greater budget and KPI responsibility at local level to be managed by regional director.
Success and activity of regional office not clearly communicated or understood by local stakeholders.	Regional offices have the networks and local knowledge to facilitate regional collaboration.	Establish KPIs and business related targets for regional office. Increase engagement with industry stakeholders.
Limited budget and policy/strategic input and accountability in regional offices.	Regional offices equipped with local networks to best direct resources where they are most effective.	Local offices should have more budget responsibility, autonomy from the Melbourne office and accountability for KPIs.
Some economic development related staff seem to have little understanding of business.		Recruit staff with business and industry experience, balanced with career VPS staff.

<p>Overlapping of eco dev roles at local, state and federal government bureaucracy. There is also some confusion from businesses about which level of government bureaucracy performs which role and which arm should be the go to contact for business.</p>	<p><i>One Gippsland</i> has provided a successful forum for engaging different regional government & non government stakeholders.</p>	<p>Should take a leading role in facilitating planning and 'social licence' issues. The <i>Gippsland Investment Prospectus</i> provides the opportunity for a 'one stop shop' approach for potential investors to the region to approach an easily identifiable body for assistance and information.</p>
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There are a number of consistent themes that emerged during the consultation phase.

The first theme is around enabling the regional director to have the staffing responsibility and financial resources to make decisions in their region that make an impact. Feedback from a number of stakeholders suggests that there is the potential for regional directors to have more budget responsibility and targets, and have all staff report directly to them, instead of some staff anecdotally conveying to stakeholders that they don't report to the regional director, and only report to managers in Melbourne.

Gippsland has six local government organisations, and in geographic terms is one of the largest regions in Victoria. The interface between local government and RDV staff in Gippsland is sometimes unclear for businesses and stakeholders. In particular, businesses are at times unsure whether to contact their local government economic development officer or the equivalent in RDV for assistance or information. Better communication and clarity for all concerned about the delineation between local government and RDV would be welcomed.

In addition to economic development, planning policy is an area in which RDV could provide enhanced strategic leadership. Social licence, and community engagement is an especially important facet of effective regional planning policy. Broiler farms are a contemporary case in point. Victoria is a net importer of chicken meat, and there are numerous employment and economic benefits available to be gained from carefully selected and adequately planned broiler farms in regional Victoria. Local government already has a genuinely difficult role in applying planning laws to applicants, and balancing job creation opportunities with genuine community concerns.

There is a limited capacity for local government to engage in a proactive community discussion around social licence, partly because it is both the regulator and administer, unless an application proceeds to VCAT. RDV is well placed to perform an informed and proactive role in engaging the community on current areas of concern, separate to individual planning applications. Providing information, initiating and facilitating community discussion and working with industry to identify future economic potential is a role RDV is ideally suit to.

Broiler farms are just one example in a broader discussion around social licence and community engagement, and the role that RDV can contribute to balancing community concerns, environmental protection, planning requirements and job creation opportunities.

Increasingly, government offices have been centralised to outer urban areas away from regional centres or to Melbourne. A case in point is the Department of Education and Training's South-Eastern Victoria Region, which runs from Melbourne's bayside suburbs to East Gippsland's NSW border. While there is a Moe office, key staff are now based in Dandenong, and are expected to cover a massive geographical area.

The Committee for Gippsland recommends that more effort is invested in identifying government departments and offices that can be decentralised to regional areas. The successful example of the Transport Accident Commission's Geelong headquarters should be replicated elsewhere. Decentralising Regional Development Victoria so that more of its staff are embedded in regional areas is a recommendation of this submission.

Once again, the Committee for Gippsland appreciates the opportunity to provide comment to this Review. Regional Development Victoria is a necessary organisation doing important work in Gippsland. The Victorian model and its interface with the Federal Government's RDA committees is working well. The Committee for Gippsland trusts that the additional feedback we have provided beyond these main points will be helpful in developing a sustainable future for RDV, with deliberate actions delivering tangible benefits to regions.

Yours sincerely



Mary Aldred
Chief Executive Officer