



The Hon Michael Gallacher MLC
Leader of the Government in the Legislative Council
Minister for Police and Emergency Services
Minister for the Hunter



Mr David Blunt
Clerk of the Parliaments
NSW Legislative Council
Parliament House
Macquarie Street
Sydney NSW 2000

Dear Mr Blunt

Please find enclosed the NSW Government response to the Standing Committee on State Development inquiry report into economic and social development in central western NSW.

Yours sincerely

Hon Michael Gallacher MLC
Leader of the Government in the Legislative Council

*Received at 4.20pm
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Legislative Council

Standing Committee on State Development

Inquiry into economic and social development in
central western New South Wales

NSW Government response

November 2012

Response to recommendations

Recommendation 1: That the Department of Planning and Infrastructure confirm its commitment to directly engage with local councils and other relevant stakeholders during the next round of regional population forecasting.

NSW Government response - Support

The Department of Planning and Infrastructure is committed to engaging with local councils and other relevant stakeholders for the 2013 review of official NSW population projections. An inaugural population roadshow, which marked the beginning of the process, took place in March and May 2012, in collaboration with the Australian Bureau of Statistics. Ten workshops were held at various locations throughout the State, with eight workshops held in regional locations.

Another series of workshops will be held with local councils in early 2013, when detailed analysis of 2011 Census and other population statistics has been completed.

Recommendation 2: That the Department of Planning and Infrastructure undertake research, prior to the next round of regional population forecasting, into the factors influencing population movements across central and western NSW, and that the results of this research be made publicly available.

NSW Government response - Support

The development and release of the 2013 official NSW population projections will be underpinned by detailed analysis of population trends throughout the State. This will include the factors that influence population movement across regional areas of the State, and will be assembled from various sources including the 2011 Census and details from key stakeholders in regional areas. This research will be made publicly available.

Recommendation 3: That the NSW Government continue to support the Evocities initiative, with a view to expanding the number of Evocities involved in the program and determining ways to establish a tiered approach to the program, whereby the development of smaller regional centres is also encouraged.

NSW Government response – Support in-principle

The NSW Government will engage with councils to discuss continuing arrangements and the possibility of broadening the locations covered in Evocities. The NSW

Government, through the Department of Trade and Investment, Regional Infrastructure and Services is currently considering a proposal for a regional marketing campaign initiative which would also assist smaller regional centres.

The NSW Government is also investing in promoting the benefits of living and working in regional NSW, including smaller regional centres, by supporting the Country & Regional Living Expo which will be held in August 2013.

Recommendation 4: That the Minister for Finance and Services review the eligibility criteria for the Regional Relocations Grant program, with a view to making the grant more accessible and flexible.

NSW Government response - Support

The NSW Government is committed to supporting regional population growth, including assisting people with the cost of relocating from their metropolitan home to a regional home. Ongoing analysis of individual applications to the Regional Relocation Grant program will ensure that the objectives of the program continue to be met. This ongoing analysis will continue for the duration of the program and changes will be made as the need arises.

It is noted that, since the commencement of the Regional Relocation Grant program in July 2011, there have been three legislative changes that have broadened the eligibility criteria. These include:

- the extension of the grant to applicants buying land up to \$450,000 with the intention to lay foundations within 6 months;
- allowing the purchase in the country to be by way of a 99 year lease or similar arrangement rather than an outright purchase providing the lessee gained exclusive occupancy equivalent to ownership; and
- allowing only one of several joint owners selling the metropolitan property to obtain the grant by buying in the country.

To generate employment opportunities for regional areas, which will further encourage people to relocate, the NSW Government has also introduced the Jobs Action Plan. The plan targets the creation of 100,000 new jobs in NSW by giving businesses the incentive to employ new workers and expand their enterprises. 40,000 of the new jobs are prioritised for non-metropolitan areas of NSW.

Another key element of the NSW Government's commitment to drive economic growth in regional NSW and enhancing the attractiveness of regional areas is the Regional Industries Investment Fund. The Fund provides financial support for business

investment, local infrastructure and economic development projects that result in or promote economic outcomes for the State.

Recommendation 5: That the Minister for Health provide Local Health Districts with financial authority to allow each District to allocate resources according to local priorities.

NSW Government response - Support

It is NSW Government policy to devolve responsibility to Local Health Districts (LHD), and existing legislation requires LHDs to address local priorities.

LHDs hold substantial financial delegations authority. In July 2012, the Director-General, NSW Health, wrote to LHDs advising that, within the context of the overall budgetary and service level framework set out in their 2012-13 Service Agreements, each District has the flexibility to direct the application of resources between service streams in a way that will best meet their local needs and priorities. Further, each LHD is responsible for deciding the allocation of activity and budgets to its individual hospitals.

Recommendation 6: That the Minister for Health endeavour to complete negotiations with the Commonwealth Minister for Health as soon as possible to ensure that the Royal Flying Doctor Service – South Eastern Section is granted an exemption from section 19(2) of the Health Insurance Act 1973 (Cth), to enable the Royal Flying Doctor Service – South Eastern Section to claim Medicare Rebates.

NSW Government response - Completed

On 26 July 2012 the Commonwealth Department of Health and Ageing advised the NSW Ministry of Health that the Royal Flying Doctor Service (RFDS) is not eligible to apply for an exemption from section 19(2) of the *Health Insurance Act 1973* under the COAG Improving Access to Primary Care in Rural and Remote Areas (s19(2) Exemptions) Initiative. The RFDS is ineligible as it is not recognised as a locality-based health service, which is a requirement for an exemption.

The RFDS – South Eastern Section could consider approaching the Commonwealth Department of Health and Ageing, outlining its particular circumstances and seeking the Department's consideration of an exemption.

Recommendation 7: That the NSW Government commit annual funding to the Clontarf Foundation to allow for the roll-out of the Foundation's program in NSW.

NSW Government response - Support in-principle

The Department of Education and Communities (DEC) is funding the Clontarf Foundation until 31 December 2013 to enable the Foundation to establish eight Academies in targeted NSW public secondary schools.

While the work of the Clontarf Foundation has proven to be successful in other jurisdictions, consideration of ongoing funding in NSW public schools will require evidence of achievement, which would need to be supported by a rigorous evaluation of the effectiveness of the program before it is considered annually as part of the NSW Budget process.

Recommendation 8: That the Department of Education and Training examine pathways to and between TAFE, university, or vocational training for rural and regional students.

NSW Government response – Support

The Department of Education and Communities (DEC) places a high priority on developing tertiary pathways across vocational and higher education. A priority action of *NSW 2021* is to work with schools and other education providers, businesses, community and other organisations to support improved attainments, and post school learning and employment pathways.

On 14 August 2012 the Hon Adrian Piccoli MP, Minister for Education, launched the report of the *NSW Review of Tertiary Pathways* (the Review) chaired by Ms Gabrielle Upton MP, Parliamentary Secretary for Tertiary Education and Skills.

The Review recommended 14 strategies to increase the rates of transition to tertiary education, particularly for students from low socio-economic status, Indigenous and rural and regional backgrounds.

The Minister for Education has accepted the recommendations and DEC is consulting with relevant sectors to develop a plan to implement the recommendations. When implemented, the recommendations will improve tertiary education opportunities for many NSW students, especially those from rural and regional NSW and those from disadvantaged backgrounds.

DEC is also actively engaged in initiatives that focus on developing university readiness and establishing effective pathways from school to vocational education and training and to higher education. These include:

- Pathways for School Leavers: a State Training Services initiative which encourages cross-sectoral partnerships between education providers to create local higher education and employment opportunities;
- Social Inclusion Program: promotes tertiary education opportunities through the Adult and Community Education College network to young people at risk of social exclusion. In 2011, Western College, Dubbo, received funding under this program to partner with local schools and TAFE NSW Western Institute to increase regional retention of young people; and
- TAFE NSW, in partnership with Charles Sturt University, is developing course pathways for delivery in central western NSW and working with the university on initiatives in student welfare and tertiary preparation through the TAFE Riverina and Western Institutes.

TAFE NSW directs resources for targeted Aboriginal education and training programs to improve educational and training outcomes including pathways to and between TAFE, university or vocational training for rural and regional Aboriginal students.

Integrated programs are offered in conjunction with a number of universities, industry partners and Aboriginal communities and allow students to simultaneously enrol in both a TAFE NSW Diploma or Advanced Diploma course and a related higher education Degree program.

Recommendation 9: That the NSW Government conduct a further inquiry into funding models for sport and cultural facilities in regional NSW.

NSW Government response - Not supported at this time

The NSW Government acknowledges the role of sport and cultural facilities in supporting and building stronger regional communities and provides funding targeted at sport and cultural facilities in regional NSW. The Government does not consider that a further inquiry into this issue is warranted at this time.

In 2011-12, \$184,607 was awarded to 11 projects in the central and western area under the Participation and Facility Program, run by Sport and Recreation, Office of Communities.

There are two distinct project types within the Participation and Facility Program:

- participation projects that deliver a sport or physical activity participation experience to an identified group of people; and

- facility development projects for building new or upgrading sport and recreation facilities to support increased participation.

Local councils and incorporated not-for-profit organisations can apply for up to \$50,000 in funding to support facility development works. This is offered on a dollar for dollar basis and capped at \$50,000 per year for any one organisation.

Local councils are also eligible to apply for the Community Building Partnership program, which provides funds for community infrastructure projects. Grant funding of \$200,000 is available for every electoral district to build and improve community facilities, with an additional \$100,000 for electorates with identified higher unemployment rates. Applications from local councils require a commitment of matching funding by the Council.

The NSW Government recognises the important role of cultural participation and of cultural identity and heritage in strengthening communities. A commitment has been made in *NSW 2021* for the development of an Arts and Cultural Policy to set the future direction for support for arts and cultural initiatives and to recognise the sector's central economic role.

The first stage is the development of a Cultural Venues Plan to be considered by the NSW Government. Partnership funding will be leveraged and private investment encouraged for regional cultural infrastructure, non-state cultural assets and potential new cultural facilities. The NSW Government acknowledges that non-State owned cultural infrastructure across NSW provides valuable opportunities for presenting and engaging with arts and culture.

The NSW Government provides support to arts and cultural organisations through the Arts Funding Program (AFP). To address the Government's regional priorities and to strengthen the Government's commitment to supporting regional NSW, the 2013 AFP includes new regional categories established to specifically benefit regions outside greater Sydney. In these categories only regional organisations can apply:

- *Regional Capital* - which supports the development of arts and cultural infrastructure that increases access to purpose-designed and well-managed regional facilities; and
- *Regional Partnerships* - a new program to support arts and cultural development partnerships in regional NSW. For example, partnerships between the arts sector and non-arts sector such as local councils or community organisations, and

Other categories also have a focus on regional activity:

- *Regional Conservatorium* provides for one-off or time-limited music projects that support the role of conservatoriums as key arts organisations in regional NSW, and

- *Performing Arts Touring* supports touring projects that provide access to performing arts programs to audiences living in regional NSW.

Recommendation 10: That the NSW Government support a high speed national broadband network, and proactively engage in the roll out to maximise the engagement of, and benefit to, regional and rural communities.

NSW Government response – Support

The Government recognises the value of fast, high quality, upgradeable broadband across NSW, and will consider requests from the Commonwealth Government or NBN Co for practical assistance with the roll-out on the basis of merit and when it is in the interests of the NSW community.

There is a long-standing need to improve the delivery of telecommunications services in NSW, particularly in regional and rural areas. The Government recognises that many parts of the state are underserved by existing broadband infrastructure and that there are real benefits to be gained in the delivery of health, education and other services through broadband enabled technologies.

NBN Co announced in August 2011 that communities surrounding Tamworth will be one of the first areas in Australia to receive access to the NBN via high-speed fixed wireless.

On 29 March 2012, NBN Co released a three year roll-out plan. In NSW, in addition to the first and second 'release' sites of Armidale, Kiama and Jamberoo, Coffs Harbour and Riverstone (Western Sydney), the plan targets a total of 59 locations with 1,010,700 premises to have either NBN connection work commenced or planned to be commenced by 30 June 2015.

NSW Government agencies such as NSW Health and the Department of Education and Communities are developing a number of trial projects designed to evaluate the delivery of government services using high speed broadband in Armidale and Kiama.

Recommendation 11: That Transport for NSW provide a report to this Committee on the current status of the preservation of a transport corridor over the Blue Mountains, and give serious consideration to the construction of a dual lane expressway over the Blue Mountains as part of the NSW Long Term Transport Master Plan.

NSW Government response – Support

The Commonwealth and NSW Governments are progressing a long-term strategic corridor plan for the Bells Line of Road and joint funding has been committed. Consultation with industry and local communities has been undertaken and the development of that plan is currently underway.

The *Draft NSW Long Term Transport Master Plan*, released in September 2012, acknowledges the need to protect Greater Sydney's transport corridors and to improve the process for identifying and protecting corridors. The Bells Line of Road and Castlereagh Freeway were identified as potential long term projects to strengthen connections of Sydney's motorway network to regional NSW.

The final *NSW Long Term Transport Master Plan* will be released in late 2012.

Recommendation 12: That the Minister for Roads develop a planning schedule to complete the sealing of the Cobb and Silver City Highways as soon as practicable.

NSW Government response – Support

The NSW Government has allocated \$2 million in 2012-13 to new sealing of the Silver City Highway, and \$1 million in 2012-13 to new sealing of the Cobb Highway. The NSW Government also provides funding for routine maintenance, grading, gravel re-sheeting, and bitumen resurfacing along both highways.

Further sealing of the Cobb and Silver City Highways will be considered for funding along with other projects across the State. Roads and Maritime Services will liaise closely with the local communities to determine the highest priority locations for future sealing.

Recommendation 13: That the NSW Government review the post-flood funding mechanisms for repairs to road infrastructure, with specific regard to allowing reasonable betterment works to be carried out.

NSW Government response – Support

The Council of Australian Governments (COAG) is currently undertaking a Review of Relief and Recovery Arrangements under the Natural Disaster Relief and Recovery Arrangements (NDRRA). NSW is participating in this review through the NDRRA Stakeholders Group of which the Ministry for Police and Emergency Services is a NSW representative along with NSW Treasury. A progress report on the COAG project was given to the Standing Council of Police and Emergency Management at its meeting on 23 November 2013.

Recommendation 14: That Transport NSW and Roads and Maritime Services collaborate with Regional Organisations of Councils and key stakeholders in the freight industry to develop a consistent methodology for the assessment and approval of permitted routes for high performance vehicles.

NSW Government response – Support

Transport for NSW and Roads and Maritime Services (RMS) will continue to work closely with local councils and key stakeholders on improving road access arrangements for high performance vehicles, with the aim of promoting the efficient use of, and investment in, NSW roads.

RMS has delegated authority from the Minister to approve routes on the State road network for use by restricted access vehicles, which includes higher productivity vehicles. Councils also have a delegated authority from the Minister for their roads that requires them to approve routes in accordance with RMS' Route Assessment Guidelines for Restricted Access Vehicles (the RAV Guidelines), first published in 2002.

In 2011, updated RAV Guidelines were drafted and circulated for public consultation between January and April 2012. It is anticipated that the new RAV Guidelines will be finalised by the end of 2012. The updated RAV Guidelines aim to continue to provide a consistent methodology for access assessment and approval. RMS is proposing to hold a series of regional workshops with councils to explain the application of the revised RAV Guidelines on local roads. RMS will also provide support to councils through its Regional Freight Route Coordinators who are able to assist councils in making their assessment.

The newly formed NSW Road Freight Advisory Council will use industry feedback to create working groups to focus on particular heavy vehicle access issues in council regions. Representatives from the Local Government and Shires Associations will be members of the Road Freight Advisory Council.

Recommendation 15: That during the preparation of the Long Term Transport Master Plan, Transport for NSW closely consider ways to improve freight rail infrastructure in central and western NSW in order to facilitate freight access to sea ports, especially the Maldon to Dombarton rail line.

NSW Government response – Support

In planning for the future, the Long Term Transport Master Plan and the Freight and Ports Strategy will identify the needs for a pipeline of projects that will enable greater

productivity from existing rail operations, as well as significant augmentation of the current rail network, and the development of new infrastructure and linkages. This development will support proposed policy initiatives and performance improvement measures to support increased use of rail for freight.

Transport for NSW has submitted a Project Proposal Report seeking the release of \$25.5 million from the Commonwealth Government to undertake the Scoping and Definition Phases of the Maldon to Dombarton Rail Link project. It is anticipated the funding will become available shortly, in line with the funding announced in the May 2012 Commonwealth Budget.

The State Infrastructure Strategy 2012-2032 noted that the Greater Western Highway and Bells Line of Road form the main road freight corridors from Western NSW to Sydney and that both routes suffer from constraints that limit their freight movements. Infrastructure NSW recommended a potential corridor be identified for the Bells Line of Road and the Castlereagh Freeway. The Government will consider this proposal as part of its response to Infrastructure NSW's State Infrastructure Strategy, to be released by the end of 2012.

Recommendation 16: That during the preparation of the NSW Long Term Transport Master Plan, Transport for NSW examine new approaches to the delivery of regional aviation services in NSW, including the subsidisation of targeted air routes, and the establishment of a 'hub and spoke' model to manage access to Sydney Airport.

NSW Government response – Support in-part

Regional transport services, including regional aviation services, are being considered in the development of the NSW Long Term Transport Master Plan and supporting regional transport strategies. However, it should be noted that NSW does not have any plans to introduce subsidies for regional aviation services.

As noted by the Inquiry, the regulation of regional airline access to Sydney (Kingford Smith) Airport is a matter for the Commonwealth Government. The introduction of a 'hub and spoke' operating model, as a means of increasing access to Sydney, is a commercial decision for air transport operators.

Recommendation 17: That the NSW Government undertake an analysis of the potential impact of the listing of the Menindee Lakes under the Ramsar Convention on Wetlands, by July 2013, and unless this analysis identifies significant detrimental impacts, that the NSW Government support the listing of the Menindee Lakes under the Convention.

NSW Government response – Noted

The finalisation of water arrangements for the Menindee Lakes, including the implementation of the Basin Plan and the negotiation with the Commonwealth Government for infrastructure and operational improvements to achieve water savings, will be prerequisites to the NSW Government considering a nomination for listing under the Ramsar Convention.

Recommendation 18: That the NSW Government explore the feasibility of requiring that consideration must be given to the employment of local workers to undertake government contract work in rural and regional areas.

NSW Government response – Support

The NSW Government is committed to reforming government procurement and make doing business with the NSW Government simpler, easier and more attractive.

A package of measures to assist small to medium enterprise (SME) and local suppliers will shortly be released by the NSW Government.

Recommendation 19: That the NSW Government facilitate locally based purchasing by government businesses in regional areas.

NSW Government response – Support

In addition to the proposal for a package of assistance to SMEs and local suppliers, the Government has also recently implemented the *Local Schools, Local Decisions* policy. This provides for the Department of Education and Communities (DEC) to increase local decisions for purchases up to \$5,000 from Day 1, Term 2, 2012 and to increase opportunities for schools to use local contracts. Local business will be the direct beneficiaries of this policy improving business turnover and reducing administration costs.

Recommendation 20: That the Minister for Primary Industries refer to the NSW Legislative Council's Standing Committee on State Development an inquiry into the feasibility of establishing food security precincts in NSW.

NSW Government response – Support in-part

The NSW Government places a high priority on food security. Sustainable food systems are important to the growth and development NSW's economy and

communities, and to the health of its people and environment. The NSW food system consists of domestic and exporting primary producers, manufacturers and packagers of food and beverage products from raw materials to finished products for the food service and retail segments. It is important that there is integrated and coordinated action on developing and growing an efficient and sustainable food system across all of NSW.

The NSW Government has created an Office of Agricultural Sustainability and Food Security within the Department of Primary Industries. The Office is working on the development of a Food Plan for NSW to ensure that the food systems that underpin our food supply are sustainable and able to provide current and future generations with a safe, nutritious food supply and also promote economic growth of the food system and regional economies. The NSW Government will also continue to provide input into the development of the National Food Plan.

In light of this work that is currently underway, the NSW Government does not consider that there is a need for an inquiry into the feasibility of establishing food security precincts in NSW at this time.

Recommendation 21: That the NSW Government, together with the Presiding Officers of the NSW Parliament, re-establish the Regional Produce Showcases at NSW Parliament House, and give consideration to establishing other initiatives that promote regional areas and businesses at NSW Parliament House.

NSW Government response – Support in-principle

The NSW Government provides a range of industry support and facilitation services under the Regional Industries Investment Fund that regional businesses and producers access. For example, the Department of Trade and Investment, Regional Infrastructure and Services (DTIRIS) has assisted regional food producers over a number of years to attend the annual Fine Food Trade Show, to showcase their products at Australia's largest food industry event.

In September 2012, DTIRIS supported Advantage Wollongong at NSW Parliament House, which showcased the advantages of Wollongong as an innovative and strategically located business location.

In May 2012, DTIRIS supported an exhibition at NSW Parliament House promoting Hunter Manufacturing and Engineering companies. A Mid North Coast Industry Showcase is also being proposed at Parliament House in early 2013 to promote manufacturing and agribusinesses, as well as the benefits of conducting business, living and working in regional NSW.

Destination NSW also has a number of tourism-related events promoting NSW regional tourism which showcase and promote produce - food and wine, such as regional marketing campaigns and regional event programs.

In light of this work that is currently underway, the NSW Government does not consider that there is a need for re-establishing the Regional Produce Showcase, or other initiatives that promote regional areas and businesses, at NSW Parliament House.

Recommendation 22: That the NSW Government provides financial assistance to community led initiatives, such as the Cobar Enterprise Facilitation project, the Foundation for Regional Development and Team Harden, which promote the economic and social development of communities in central and western NSW.

NSW Government response – Support in-principle

The NSW Government provides a range of programs and facilitation services that can promote the economic and social development of communities in central and western NSW. To best assess appropriate assistance, individuals should contact the local Business Development Manager at Trade & Investment to examine what tailored assistance may be available to them.

Additionally, the NSW Government has delivered a 50 per cent funding boost for small business programs with \$7.5 million allocated to better support the small business sector and address gaps in existing business support programs. The Government's new "Small Biz Connect" program is being rolled out across the State from September 2012.

Recommendation 23: That the NSW Office of Water:

- *undertake an audit of projects yet to receive funding under the Country Towns Water Supply and Sewerage Program,*
- *if necessary, allocate additional funding to the Program to allow the completion of all outstanding projects, and*
- *advise the impacted local councils of the timetable for completion of works.*

NSW Government response – Support in-principle

The Country Towns Water Supply and Sewerage Program is capped at \$1.2 billion. This funding is sufficient to fund 549 water and sewerage projects of which 482 are already complete. These projects will improve public health, environmental and security of supply outcomes for people living in rural and regional NSW. There are 115 listed projects that are unable to be funded under the current cap and potentially a

further 40-50 projects not listed that would qualify for funding under current rules if funds were available.

A detailed review of regional urban water services will be conducted in conjunction with the review of local government structural arrangements that was initiated by the Minister for Local Government in March 2012. The Review Panel is expected to report to the Minister with its findings within 12 to 14 months from its commencement. This review will guide future funding arrangements in the non-metropolitan urban water sector.

Recommendation 24: That, in completing the review of the regulations for the Native Vegetation Act 2003, the Office of Environment and Heritage implements reforms which streamline the process for preparing and implementing a property vegetation plan, and that the Native Vegetation Act 2003 incorporate within it a requirement that local socio-economic impacts be part of any assessment considerations.

NSW Government response – Support in-part

The review of the regulations for the *Native Vegetation Act 2003* is underway. This review is expected to result in changes that will streamline assessments, introduce codes of practice and remove ambiguity in existing rules.

Service delivery standards for Catchment Management Authorities are also expected to be introduced to improve customer service.

Recommendation 25: That the Minister for Local Government review rate pegging in light of the evidence received during this inquiry.

NSW Government response – Not supported

The NSW Government does not support a review of rate pegging. However, the Independent Local Government Review Panel's Terms of Reference require it to consider the financial sustainability of councils.

Recommendation 26: That the Minister for Local Government request that the Local Government Review Panel undertake an inter-jurisdictional comparison of the approaches to local government funding and resourcing used in other Australian states and territories, including Victoria and Queensland.

NSW Government response – Support in-principle

This recommendation is expected to be considered by the Independent Local Government Review Panel. The Terms of Reference for the Panel have already been established so it is not appropriate to direct the Panel to undertake this specific action. However, the Panel's Terms of Reference require it to investigate and identify options for governance models, structural arrangements and boundary changes, taking into consideration, for example, the financial sustainability of councils. In doing so the Panel has been asked to consider the experiences of other jurisdictions in both the nature and implementation of local government reform. It is expected that the issue of local government funding and resourcing will therefore be considered by the Panel as part of its merit.

Recommendation 27: That the NSW Government hold at least four regional Community Cabinet meetings before November 2013, including at least one in central and western NSW.

NSW Government response – Support

The NSW Government holds regular Community Cabinet meetings throughout NSW. These meetings are an opportunity for people to raise matters important to them and the local community with the Premier and Ministers.

Since March 2011, the NSW Government has held 14 Community Cabinet meetings including in Bathurst in the Central West. To date, Community Cabinet meetings have been held in:

- Northern Tablelands - Tamworth
- Eastern Suburbs – Bondi Junction
- Riverina - Albury
- Central West - Bathurst
- Blue Mountains
- Greater Western Sydney – Parramatta
- Central Coast – Gosford
- South East – Queanbeyan
- Greater Western Sydney – St Marys
- Illawarra and South Coast – Kiama
- Mid-North Coast - Port Macquarie
- Sutherland Shire
- Hunter – Newcastle
- Macarthur – Campbelltown

Recommendation 28: That in conjunction with the regional Community Cabinet meetings, the NSW Government meet separately with representatives of local government.

NSW Government response – Support in-principle

The NSW Government meets regularly with local government. The NSW Government places a high value on the role of local government and in giving communities a say in decisions affecting their lives. The Division of Local Government, a division of the Department of Premier and Cabinet, also works closely with the local government sector across NSW.

Recommendation 29: That the Minister for Local Government, as part of the Destination 2036 initiative, review and remove any impediments that prevent local governments from pursuing a collaborative approach, particularly in relation to joint applications for funding.

NSW Government response – Support in-principle

This recommendation is expected to be considered by the Independent Local Government Review Panel. The Terms of Reference for the Panel have already been established so it is not appropriate to direct the Panel to undertake this specific action. However, the Panel's Terms of Reference require it to investigate and identify options for governance models, structural arrangements and boundary changes, taking into consideration, for example, their ability to deliver efficient and effective services. It is expected that the issue of collaboration between councils will therefore be considered by the Panel as part of its remit. In addition, the review of the Local Government Act will provide an opportunity to remove any impediments to collaboration.

Recommendation 30: That the Treasurer seek an amendment to the Restart NSW Fund Act 2011 to establish the Restart Regional NSW Fund, and give close consideration to the regional development model pursued in Victoria.

NSW Government response – Not Supported

The current *Restart NSW Fund Act 2011* and the supporting administration framework are sufficient in promoting sustainable regional development. A comparison with the Victorian Regional Growth Fund (RGF) indicates similar objectives and governance arrangements.

The NSW Government has committed \$331 million for Restart NSW in the 2012-13 Budget with further funding from the proceeds of the Port Botany and other asset transactions. 30 per cent of Restart NSW is reserved for regional economic development - this includes funding for communities impacted by mining activities.

Restart NSW infrastructure priorities are guided by *NSW 2021*, which specifically aims to support sustainable economic growth and employment in regional NSW.

It is also intended Restart NSW be used as a co-funding source in applying for Federal infrastructure funding, this includes the upcoming \$4.5 billion Federal Regional Infrastructure Fund. In this regard, Restart NSW will assess and prioritise projects that are aligned with national priorities in obtaining further regional funding for NSW.

Restart NSW is primarily administered by Infrastructure NSW (INSW), with Treasury managing the budgeting process. Similar to Victoria, there will be close engagements with regional local councils, regional development agencies (such as the Department of Trade and Investment, Regional Infrastructure and Services) and the Federal Government in identifying infrastructure priorities.