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NSW Decentralisation Taskforce Chair  
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### **Submission to the NSW Decentralisation Taskforce**

Thank you for providing the opportunity to make a submission to the Taskforce. On behalf of Ms Gaye Hart AM, Chair, and the RDA Hunter Committee, I submit the following for consideration by the Taskforce Members.

#### **Introduction**

Regional Development Australia (RDA) Hunter was established in 2009 by the Federal and State Governments to enhance the growth and development of the Hunter Region. RDA Hunter is one of 55 RDA committees throughout Australia.

RDA Hunter's vision is for the growth of a vibrant and sustainable Hunter economy in a carbon constrained future. RDA Hunter takes a leading role in actively promoting the Hunter's growth potential to ensure the region remains an attractive place to invest, live and work.

#### **The Hunter - A Region of Opportunity**

The Hunter is the seventh largest urban area in Australia and one of the State's major centres of economic activity. The Region is located two hours north of Sydney on Australia's east coast, between Melbourne and Brisbane. Existing infrastructure and location give it a competitive edge in accessing Australian and international markets.

The Hunter Region is home to a deep-water port, booming resources sector, has a skilled workforce, particularly in manufacturing, progressive business culture, enjoys strong annual population growth and has an unemployment rate lower than the national average.

In the past 15 years the Hunter has transformed from dependent on heavy industry, to a diversified resource, services and business powerhouse making a significant contribution to the state and national economies.

The Hunter is well positioned to become a world-class regional centre, with planning for continued population growth the key

### **Population Growth for The Hunter**

Regional Development Australia (RDA) Hunter has previously advocated long-term strategies for the growth of the Region's population to 1 million people. A much larger population for the Region will meet skills shortages, build internal economic demand and is feasible due to the capacity of the Hunter Region to accommodate more people.

A population of this size would allow the region to reach a critical mass and provide important economies of scale. It would result in much needed efficiencies in infrastructure and public transport planning and assist the region to achieve community well-being and a more self-sustaining future.

From this stand-point RDA Hunter takes particular interest in proposals to relocate government resources to the Region which will support greater regional development.

### **Regional Policy: The Regional Relocation Grant program**

The Regional Relocation (Home Buyers Grant) Act 2011 includes "(b) the Newcastle local government area" in the definition of "metropolitan area" (Part 1, Section 3). S15 (Part 2, Division 2) of The Act states the "Applicant must relocate from metropolitan area".

This has resulted in people being eligible to receive \$7,000 if they move from a suburb in the Newcastle LGA to one in an adjoining LGA such as Port Stephens or Lake Macquarie. However, people moving from a local Hunter Region LGA into the Newcastle LGA are excluded from access to the Regional Relocation Grant program.

Responses to addressing what is seen by many Hunter residents to be an anomaly include:

1. Redefine metropolitan area in the Act to apply to the Newcastle Statistical District, comprising the LGAs of Cessnock, Lake Macquarie, Maitland, Newcastle and Port Stephens.

*Outcome:* Fewer eligible locations in the State and a reduced likelihood of the program realising its objective.

RDA Hunter recommends *not* making this change.

2. Make no change to the way metropolitan area is defined in the Act.

*Outcome:* A positive step to improve the performance of the program is not taken and the same difficult to explain advantages continue to apply to some people who live outside of the State's capital city, but not to their neighbours.

RDA Hunter recommends *not* keeping the definition of metropolitan area the same.

3. Remove reference to Newcastle local government area from the Act's definition of metropolitan area.

*Outcome:* Increased number of eligible locations in the State and a greater chance that the total available allocations under the Grant program will be reached.

RDA Hunter recommends acknowledging that the Newcastle LGA is a regional centre and amending the definition of metropolitan area accordingly.

### **Regional Policy: Jobs Action Plan**

RDA Hunter supports government initiatives to provide businesses with incentives increase their number of employees and expand their operations.

RDA Hunter recommends acknowledging that the Newcastle LGA is a regional centre and accordingly, amending the definition of metropolitan area in the Payroll Rebate Scheme (Jobs Action Plan) Act 2011. This will support jobs growth in the Hunter.

Given the scheme is capped, it would be useful to potential applicants if the Office of State Revenue website displayed up-to-date information regarding the number of new jobs (non-metro and metro) that have been created, together with a reconciliation of the number of places still available for support under the Scheme.

RDA Hunter understands that batch lodgement of applications is not currently an option under this Scheme and that this presents larger employers with the arduous task of making an individual application for each eligible new job. If this is the case, then in the interests of delivering an employer-friendly service, a change to the process to support the submission of multiple applications should be implemented.

### **Regional Policy: Restart NSW**

RDA Hunter recognises this NSW Government initiative as a positive and practical contribution to meeting the infrastructure challenge.

RDA Hunter is partnering Infrastructure NSW (INSW) on a project to deliver the Hunter Economic Infrastructure Plan by the end of June this year. We look forward to completing this project and further collaborations with INSW into the future.

The Hunter Region projects identified in the State Infrastructure Strategy are indeed high priority projects and when completed, will improve the growth of the Hunter's productivity.

## **Regional Policy: Resources for the Regions**

RDA Hunter supports the return of funds to the areas from which they have been generated. To date, the Hunter LGAs of Muswellbrook Shire and Singleton have benefited from this program. All 11 of the 11 LGAs in the Hunter support the current mining boom and are all in some way impacted by mining activity and the products of mining.

RDA Hunter advocates further allocations of funds to the Region to develop economic infrastructure that will help the Region's economy to grow.

### **For further information**

If you have any questions or would like further information, please call me on 0418 115 577.

Yours sincerely

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