



2012-150514

Ms R Miller
Clerk of the Legislative Assembly
Parliament House
Macquarie Street
Sydney NSW 2000

24 APR 2013

Dear Ms Miller

I write in response to your letter dated 25 October 2012 concerning Report 1/55 of the Committee on Economic Development – *Establishment of Special Economic Zones*.

Standing Order 303A of the Legislative Assembly requires the Government to respond to recommendations of Committee reports within six months of a report being tabled in Parliament. Therefore I am pleased to provide Parliament with the attached NSW Government response to Report 1/55 of the Committee on Economic Development.

Yours sincerely

A handwritten signature in black ink, which appears to read "Barry O'Farrell".

Barry O'Farrell MP
Premier

**NSW GOVERNMENT RESPONSE TO REPORT 1/55 OF THE ECONOMIC DEVELOPMENT COMMITTEE
- ESTABLISHMENT OF SPECIAL ECONOMIC ZONES**

RECOMMENDATION		NSW GOVERNMENT RESPONSE	
<p>Recommendation 1</p> <p>That the NSW Government work towards a long term goal of setting state tax rates that are equal to or more competitive than other states.</p>	<p>POSITION: Support</p> <p>The NSW Government has enacted the <i>Fiscal Responsibility Act 2012</i> that establishes as a core fiscal principle responsible and sustainable spending, taxation and infrastructure investment including, aligning general government revenue and expense growth and stable and predictable taxation policies.</p> <p>The NSW Government has also acted to make the cost of doing business in NSW more competitive by implementing payroll tax rebates for firms that increase employment.</p>		
<p>Recommendation 2</p> <p>That the NSW Government consider the impact of the planning system on border economies, as part of the current review of the NSW planning system.</p>	<p>POSITION: Support</p> <p>The Green Paper <i>A New Planning System for New South Wales</i> emphasised the role of planning in facilitating and managing growth and economic development in NSW. <i>The Way Ahead for Planning in NSW - Recommendations of the NSW Planning System Review: Volume 2 - Other Issues</i> also recommended that the potential cross border impacts of a development proposal be considered during its assessment.</p> <p>On 16 April 2013, the NSW Government released the <i>White Paper - A new planning system for NSW</i>. Community and stakeholder feedback on the White Paper is sought by 28 June 2013. In preparing the White Paper, the impact of the planning system on border economies and the potential for the new planning system to address the issues set out in the Committee's report has been considered.</p>		
<p>Recommendation 3</p> <p>That the following issues relating to border regions be</p>	<p>POSITION: Partially support</p> <p>The Cross-Border Commissioner has been appointed by the NSW Government to provide advocacy for businesses, organisations and residents in border communities. There are a range</p>		

<p>further investigated by the Cross Border Commissioner:</p> <ul style="list-style-type: none"> • State taxes; • Planning regulations; • Licences and trade qualifications; and • Transport regulations, including heavy vehicle regulations; taxi hire regulations; and public transport ticketing for services that cross state borders. 	<p>of unique issues facing people living in the State's border towns and regions and the role of the Cross Border Commissioner is to enable those issues to be raised by the NSW Government.</p> <p>The Cross-Border Commissioner has noted the Committee's findings and agreed to liaise with relevant NSW Ministers in relation to heavy vehicle regulations, taxi hire regulations and the feasibility of public transport ticketing that crosses state borders. The Cross-Border Commissioner will be the point of contact for border communities in relation to these issues.</p> <p>While issues relating to state taxes, planning, licensing and trade qualifications, and transport regulations may have a cross-border impact, these are also issues that affect the whole of the State, and in some cases are subject to a COAG reform process. The NSW Government will consider any reforms in these areas in that context.</p>
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