

**Submission
No 31**

ESTABLISHMENT OF SPECIAL ECONOMIC ZONES

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The Chair
Committee on Economic Development
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Chair

Thank you for giving Bland Shire Council the opportunity to submit a response to the submission regarding Special Economic Zones. Bland Shire Council supports this initiative and agrees that Rural and regional areas of New South Wales are vital to the economic health of the State.

Some of the areas that the NSW Government can contribute to the sustainability and growth of regional economies is by stimulating business investment and job creation by:

- Working with the Federal Government to fast track the roll out of the National Broadband Network to the Riverina and the Bland Shire will create opportunities and help sustain existing businesses in the Bland Shire and Regional New South Wales;
- The State Government has made a start of improving the planning process for major projects, but they have a long way to go. There has to be a whole of Government approach instead of each Department working in isolation and putting up and creating barriers for these major projects;
- The State Government also has to make it easier and allow for Crown Lands to be acquired for economic development projects in Regional NSW at realistic values;
- As infrastructure is extremely important for Councils to attract investment and for businesses to set up and expand in Regional NSW, one way for the Government to assist is to establish an infrastructure fund to offset the large upfront costs that may be incurred by the Councils and businesses to attract investment in Regional NSW;
- Reinstatement of Trade & Investment NSW Regional Business Development assistance program or the roll out of a better assistance program;
- As per the NSW Liberal & National Party Policy, actively pursue strategies and policies to encourage decentralisation and identify more public sector job opportunities to locate to regional areas, <http://www.abc.net.au/rural/news/content/201102/s3150492.htm> and <http://www.nswnationals.org.au/images/stories/pdf/2%20deliver%20greater%20regional%20opportunity%20through%20a%20decade%20of%20decentralisation.pdf> ;
- The continued support of Charles Sturt University, Australia's largest Regional University Undergraduate and Postgraduate programs as regional University graduates tend to stay in regional areas and assists in addressing the skills shortages in regional NSW;

- Improving the road and rail freight corridors and logistics efficiency, means lower manufacturing costs, less congestion on our roads, lower carbon emissions, fewer serious accidents, less local air and noise pollution;
- Taxes and charges around the transport sector needs to be investigated, as transport is one of the higher costs of undertaking business in regional NSW;
- Working with the Federal Government to assist in addressing the skills shortages and the ageing manufacturing workforce;
- Work with the finance sector to promote biomass energy investment opportunities in Regional NSW and the Bland Shire;
- With the uptake of mobile technologies, mobile phone and internet coverage in Regional NSW must be expanded and improved so the new digital audio platforms and applications can operate in Regional NSW and the Bland Shire. Digital technologies are changing the way businesses and tourism (information) is delivered and accessed. Businesses and tourism operators can now engage directly with consumers at different points of the planning through mobile devices;
- Addressing the increasing energy costs that businesses and tourism operators are being subjected to and the substantial differential between City and Regional areas;
- Working with the Federal Government to look at tax incentives to encourage investment to replace aged and dated tourist accommodation infrastructure in Regional NSW and the Bland Shire;
- Improving the branding and marketing of Regional NSW to intra, interstate and international markets using existing and adopting new social marketing technologies and opportunities;
- Support the development and marketing of Regional NSW Conferencing Facilities so that higher yielding Business Events and Conferences are able to be held in Regional NSW;
- Introduction of tax based incentives on all State Government taxes and charges to encourage industries and businesses to relocate and expand in regional NSW;
- Further reduction in payroll taxes;
- Stamp duty reduction and concessions for Regional industrial, commercial and residential activities;
- The Regional Relocation Grant was a great initiative but the amount of the one off payment needs to be increased to make worthwhile for the grant to be considered;
- A similar grant needs to be introduced to entice businesses to relocate the land locked cities to regional areas; and
- High State Government taxes and charges are an impediment to attract businesses to NSW and some commentators indicate that existing State Government taxes are some of the most inefficient and harmful taxes for growth and competitiveness especially with the increase in business being conducted on the internet;
- The current criteria for Regional Development Australia (RDA) funding makes it virtually impossible for the Bland Shire / West Wyalong to benefit from this program. In view of the need to compete with our neighbours, a much more equitable method would be distribution of funds on a pro rata basis or even based on the formula for the Financial Assistance Grants (FAGS);
- At the risk of sounding political, which is not my intention, the previous NSW Government appeared to be Sydney, Newcastle and Wollongong Centric and this seems to be the trend of all state governments to concentrate funding of projects and infrastructure on the most populated areas.

One very good example that comes to mind is that during the recent drought the railway infrastructure in NSW was allowed to be run down by the state government, because of lack of use of this infrastructure. This may have saved the government some expenditure during this period but now that the drought has broken and there are now significant harvests, this vital infrastructure is not available. A further consequence is now an increase in road freight which

is damaging council road networks, the cost of repair is beyond the average rural council and this has further been compounded by the recent deluge and flooding in regional NSW;

- Bland Shire Council welcomes the Resources for the Regions policy as there are a number of mining companies undertaking exploration activities in the Bland Shire as well as having the Barrick Cowal gold mine in the Bland Shire. Mining is a key economic contributor to NSW and in 2009-10 provided \$13.5 billion of exports while generating \$985 million of NSW mineral royalties. Direct employment in the sector is estimated at around 20,000. Should this exploration develop into the establishment of additional mines, then investment in infrastructure will be required.

I thank you for the opportunity to present this submission and I look forward to the future discussion and outcomes that we hope will deliver the desired goals of the inquiry into the establishment of special economic zones. Rural and regional areas of New South Wales are vital to the economic health of the State.

Yours sincerely



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