

**Submission
No 9**

ESTABLISHMENT OF SPECIAL ECONOMIC ZONES

Organisation: Economic Development Officers, Riverina Region
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Position: Economic Development, Tourism & Events Manager, Leeton
Shire Council
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22 March 2012

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

RE: Submission regarding Special Economic Zones

The Economic Development officers of the Riverina Region (Leeton, Wagga Wagga, Temora, Bland, Carrathool and Griffith) would like to make comment regarding the Inquiry into the establishment of Special Economic Zones.

We would support such an initiative for business in New South Wales to encourage economic development, business and financial growth, which is a core function of local government.

Our combined Councils support;

- The establishment of economic zones based on the primary financial driver of the region, be it a major agricultural sector or business driver.
- The introduction of tax based incentives to encourage Industry and business to relocate to these regions
- Other financial incentives such as Stamp Duty concessions, financial incentives for business who are in a growth phase to increase staffing
- Training incentives
- The balance of economic zones created by gross domestic product or wealth so that each, regardless of geographic size, population or location, is approximately equal.
- The formulation of a plan for economic development for each zone based on the established plans of the member entities (councils).
- The established skills development budget share equally in each to balance the growth of specific trades and industries training where the experience is located.
- The zones to report annually on progress towards a set of established parameters dealing with fiscal performance to the member entities and present to a central agency to assess state performance.

Not every region in NSW shares the same challenges. Business does not see the state in regions where imaginary lines change circumstances of opportunity or assistance, and any attempt to do so must be done with a care and flexibility.

New South Wales has long grappled with decentralisation and recentralisation of government services, with each cycle drawing then redrawing boundaries which suit agendas drawn up at the time.

Councils currently work on parochial agendas where economic development practitioners are in direct competition with each other which also gives rise to complicating the establishment of designated zones.

That said, my colleagues and I have long worked in regional cooperation, recognising, for example, the importance of supporting the Evocites initiative, and the benefit it can do for the region as well as the centre.

Beyond that, there are regular development officer meetings based around the RDA boundaries, combining community and economic development officers for briefings, networking and information sharing.

Many economic development practitioners in the state are regional Councillors for the NSW Business Chamber, and in this area, the Murray Riverina Council has advocated the establishment of a Murray Riverina Regional Economic Zone which includes cross border cooperation into Victoria, as part of its Ten Big Ideas.

Another viable option is one of a "virtual" zone, exemplified by the recent signing of a Memorandum of Understanding between Leeton Shire Council, in NSW, and Greater Shepparton City Council, in Victoria, based on like industry and employment segments, and disregarding locations.

This initiative is intended to be a cost minimal sharing of ideas and experiences between like business and community groups, for the betterment and growth of each other, without causing competition sparking the parochialism mentioned earlier. In its early stages, there is already benefits being seen between the Chambers of Commerce, Youth groups and arts communities.

Through the Destination 2036 planning process currently being undertaken in NSW, Councils are being asked to look at themselves driven by the core values of providing service to ratepayers and how to sustain that service. This is a further complication to the process of establishing economic zones as it may result in council amalgamations which may wholly or partly combine local government areas.

This will be a major driver of economic development in the future, as the Councils are the employers of the practitioners in almost all situations and are very willing to work with each other at a local government level as well as a state and federal level provided we are given programs and resources which will benefit our areas in the long term.

Should you have any enquiries please do not hesitate to contact me.

Yours sincerely



Peter Kennedy

Economic Development, Tourism & Events Manager, Leeton Shire Council and:
Deputy Chair, Economic Development Australia, NSW Network.

On behalf of Economic Development Practitioners: James Davis, Wagga Wagga, Penny Davies, Carrathool, Andrew Robbins, Temora, Nicola James, Griffith, Jeffrey Stein, Bland Council, and myself at Leeton Council.