

**Submission  
No 18**

**PERFORMANCE OF THE REGIONAL INVESTMENT ACTIVATION FUND AND  
THE REGIONAL JOB CREATION FUND**

**Organisation:** Bega Valley Shire Council

**Date Received:** 13 October 2023



13 October 2023

Mr Roy Butler MP  
Committee Chair  
Investment, Industry and Regional Development Committee  
Parliament House, Macquarie Street  
Sydney NSW 2000

Via email: [barwon@parliament.nsw.gov.au](mailto:barwon@parliament.nsw.gov.au)

Dear Mr Butler

### **Inquiry into the performance of the Regional Investment Activation Fund and the Regional Job Creation Fund**

Council welcomes the inquiry into the performance of the Regional Investment Activation Fund and the Regional Job Creation Fund and is optimistic that programs of this nature will remain available in the future.

#### **Regional Job Creation Fund**

Council is aware of three businesses in the Bega Valley who were recipients under the Regional Job Creation Fund (RJCF); Bega Steel Pty Ltd, Ryefield Enterprises Pty Ltd and Columbia Corporation. Council welcomes the direct invitation from the committee chair to provide feedback on this program and we trust that the committee is also connecting directly with funding recipients to seek their feedback. Two of the recipients from the Bega Valley had advised they had not yet been contacted to provide input. Both were complimentary of the program and espoused its benefits to their business.

Councils are not eligible to apply for funding under either of these programs, unless as part of a joint application. Future programs may wish to consider Councils as eligible applicants as increasing employment opportunities in regional Councils directly benefits service delivery within local communities.

I understand across the state that planning delays within Councils may have impacted some of the projects that applicants were seeking to deliver under the RJCF funding. It is imperative that Councils are engaged early for any planning matters and provided adequate time to assess DA's, particularly in a resource constrained environment where across the state there is a lack of planners. Perhaps future programs may consider greater flexibility in delivery timelines should planning approvals be hindering progress.

Overall, the RJCF has provided benefit to our local economy. It has provided employment opportunities, helped to advance manufacturing processes and supported businesses to expand (or sustain through difficult economic times). These benefits have been realised despite the challenging landscape of Covid, natural disasters, and rising inflation.

For future programs of this nature, it will be important for the Government to consider that business is a far more dynamic space and that grant guidelines and processes should also look to be more dynamic and flexible. The rigidity of detailed grant applications, variations, acquittals and reporting are cumbersome for small businesses and may be a factor in the modest uptake of the program. It is also noted that under this

program a minimum of 5 jobs must be created which would restrict many smaller businesses from applying for the funding.

### **Regional Investment Activation Fund**

Council understands there are no recipients for the Regional Investment Activation Fund (RIAF) in the Bega Valley. Incentive based programs like the RIAF have a role to play in supporting collaboration and innovation in regional NSW, particularly if we are to compete with other states where incentive funding is playing a role in securing industry investment. For regional economies to diversify, targeted partnership programs of this nature must continue to exist to meet the expectations of companies wanting to partner with government to expand beyond the cities.

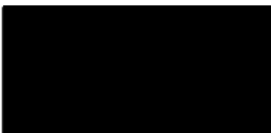
Council has a strong working relationship with the Department of Regional NSW and Investment NSW who have sought to understand the advantages and opportunities in our region to better connect private investor enquiries however, Council has recently reduced the resourcing in our economic development team as we seek to reduce operating costs. If there are investors interested in our community, we have limited capacity to support their investment exploration and would be relying on the above agencies to assist with this process.

Future iterations of this type of program may seek to consider how government funding could support partnership models for business, government and education institutions seeking to work together. A contemporary example of this is the Bega Circular Valley 2030 project where many stakeholders from across sectors are working together to move towards a circular economy in the Bega Valley. At present it is private companies who are largely driving change and outcomes to meet public challenges. With greater government support, our capacity to meet those challenges and unify the various stakeholders would be greatly improved.

I note the committees' terms of reference are seeking input on opportunities for councils to work together to promote productivity and economic development. Council is a member of the Canberra Region Joint Organisation (CRJO) and sees this entity as the ideal conduit to delivering collaborative productivity and economic development outcomes.

It is imperative that the NSW Government continue to invest in regional NSW and support existing and emerging businesses and industries and we look forward to the outcomes of this inquiry.

Your sincerely



Anthony McMahon  
**Chief Executive Officer**