

**Submission
No 2**

INQUIRY INTO REGIONAL DEVELOPMENT AND A GLOBAL SYDNEY

Organisation: City of Wagga Wagga

Date received: 25 May 2017



OFFICE OF THE MAYOR

CITY OF WAGGA WAGGA

25 May 2017

The Chair
Standing Committee on State Development
Parliament House
6 Macquarie Street
Sydney NSW 2000

via email: state.development@parliament.nsw.gov.au

Dear Honourable Committee Members,

Inquiry into Regional Development and a Global Sydney

I am writing to you on behalf of the Council of the City of Wagga Wagga in response to your call for submissions to the above inquiry, and as per your published terms of reference.

The city of Wagga Wagga is well positioned, both geographically and economically to contribute to, and benefit from, the positive spillover effects from the continuing economic expansion in Sydney. Although some economic flow benefits from the Sydney area have become evident in recent years, these have been piecemeal and partly as a result of a cohort of people and firms trying to escape from the crippling economic and social effects of congestion. This widening infrastructural deficit has already raised the costs of living and doing business, and also threatened the quality of life of many Sydney residents.

We believe there is now an opportunity to put in place a suite of policies which encourage businesses to establish or build links in regional Australia to relieve some of these congestion pressures, to remove barriers to local Wagga firm participation in the NSW economy, and also to realise the economic potential of a workforce ready and able to support Sydney's high performing, globally innovative and exporting firms. The new policy interventions will build regional competitiveness and will achieve high impacts in a more rapid and co-ordinated way than the current policy approach.

Feedback from relocating firms, or those looking to build regional linkages, reveals that some firms are risk averse to move to the region because of perceptions of a lack of skills, poor transport linkages, lagging ICT and utility infrastructure, and distance from suppliers, customers, and other collaborative factors. In order to incentivise firms to take risks to invest in regional Australia, we see the following interventions and solutions as having the ability to realise some of the untapped potential of regional NSW economies, including the city of Wagga Wagga:

- (1) Offering relocation grants to reduce business risks of relocating businesses in key growth sectors.
- (2) A co-ordinated Regional Investment Strategy which increases investment in key infrastructure including transport, supply chain connectivity, ICT and utilities. Federal funding into the NSW state needs to also be co-ordinated and strategically aimed.

Civic Centre
Cnr Baylis & Morrow Streets
Po Box 20 Wagga Wagga NSW 2650
Ph: (02) 6926 9111
mayor@wagga.nsw.gov.au



OFFICE OF THE MAYOR

CITY OF WAGGA WAGGA

- (3) Offering innovation vouchers for firms to build linkages, collaborations and solutions based services between Sydney and regionally based firms.
- (4) Funding for a dedicated Smart City incubator in Wagga Wagga to be a central hub for business start-ups and entrepreneurs, firm development, skills building, knowledge diffusion, technology utilisation and solutions, and collaboration.
- (5) Accelerated decentralisation of large government agencies and departments.
- (6) Co-ordinated State funding and administration of marketing initiatives directed at relocating businesses and people to the regions.

These policy interventions will deliver two-way benefits for both Sydney firms and those located in regional Australia, contributing to the ongoing economic and social vitality across the State. Sydney firms will be able to benefit from the lower cost base, less congestion and “can do” solutions based attitude of regional workers such as in Wagga Wagga, whilst regional Australia would benefit from more a higher economic growth potential and a better linked global workforce, contributing more to the NSW economy.

Aligning any new Regional State Development Strategy to forecast future economic growth sectors will be difficult. We see the following areas as having the highest impact in the city of Wagga Wagga, although it should be stressed that the city has an already steady base of diverse, collaborative and dynamic workers:

- (1) Health and Aged Care services
- (2) Educational and Training services
- (3) Advanced Manufacturing
- (4) Logistic Solutions
- (5) ICT and solutions based firms including entrepreneurs and start-ups
- (6) Smart Agri-business
- (7) Professional services (including Government)
- (8) Niche agriculture
- (9) Tourism services (including growing Asian markets)

The Council of the City of Wagga Wagga, its businesses, and its population, stand ready to contribute more to the overall NSW economy, boosted by policy interventions that improve regional competitiveness and growth prospects. The opportunity now exists for a co-ordinated and rapid policy intervention to allow these gains to be fully realised in partnership across NSW.

Please contact my office if you require any further information.

Yours sincerely

Gr Greg Conkey OAM
Mayor
City of Wagga Wagga

Civic Centre
Cnr Baylis & Morrow Streets
Po Box 20 Wagga Wagga NSW 2650
Ph: (02) 6926 9111
mayor@wagga.nsw.gov.au