

**Submission
No 16**

INQUIRY INTO REGIONAL DEVELOPMENT AND A GLOBAL SYDNEY

Organisation: Illawarra Pilot Joint Organisation

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**ILLAWARRA PILOT JOINT ORGANISATION
SUBMISSION TO NSW STANDING COMMITTEE ON STATE
DEVELOPMENT**

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INTRODUCTION

The Illawarra Pilot Joint Organisation (IPJO) is the peak organisation representing Local Government in the Illawarra and Shoalhaven regions. Member Councils include Kiama Municipal, Shellharbour City, Shoalhaven City and Wollongong City Councils.

The IPJO, previously operating as a voluntary association of local government for over 30 years, has continued since 2015 to provide a platform for collaboration under the model it established as one of 5 pilot areas working with State Government. Enablement legislation as a local government entity is expected once consultation on boundaries of other regional joint organisation areas across NSW is completed.

IPJO's boundaries align with State Department of Planning's Illawarra Shoalhaven Regional Plan (ISRP) and the Chair of the IPJO is a joint Chair with the Department of Planning of the Coordinating and Monitoring Committee for that ISRP. The evidence-based ISRP is the principal document supporting the IPJO strategic directions.



IPJO's vision for the region is for “a confident, vibrant and productive region that maximises its potential and looks after its people and environment.”

IPJO is pleased to provide information in response to the Terms of Reference referred to the Upper House inquiry into regional development and a global Sydney by the Hon Anthony Roberts MP, Minister for Planning, Minister for Housing, Special Minister of State on 9 March 2017.

COMMENT

Given the range and experience of organisations within the Illawarra Shoalhaven with an interest in its development, IPJO is aware that the Inquiry will receive numerous submissions from this region comprehensively addressing the Terms of Reference and providing details of the numerous strategies and reports supporting the evidence base for the agreed regional priorities.

In the interest of not being repetitive IPJO has confined its comments to the following.

Ensuring the regions benefit from the expansion of international trade, infrastructure, employment, tourism, innovation and research in the greater Sydney region.

The ISRP aims to enhance connections to Sydney and identifies the strategic infrastructure projects that will deliver on this objective (*NSW Planning & Environment: Illawarra Shoalhaven Regional Plan, November 2015, p15*). It is important to note that strategic infrastructure identified for the Illawarra Shoalhaven will not only benefit the region, but 'would also deliver significant economic and employment benefits to Sydney'. It identifies inter-regional transport infrastructure that supports growth as:

- Improvements to rail travel times between Sydney and Wollongong
- Extension of the M1 Princes Motorway from Waterfall to Alexandria
- Completion of the Maldon to Dombarton freight line; and
- Duplication of Picton Road in the long term.

A regional consortium endorsed the top three of these infrastructure priorities at the end of 2014 ('Advancing Infrastructure in the Illawarra') in its response to the NSW Government's Rebuilding NSW Discussion Paper.

The Illawarra Pilot Joint Organisation (IPJO) in partnership with the New South Wales (NSW) Department of Premier and Cabinet, NSW Department of Industry, Wollongong City Council and the University of Wollongong has commissioned a 20 year '360 Illawarra Economic Outlook', to highlight the benefits of connecting to economic opportunities from within the Illawarra-Shoalhaven region and across the surrounding regions.

Preliminary findings of the *Illawarra Shoalhaven Economic Outlook – Background Report for the 360 Outlook* suggest that the symbiosis between the Illawarra

Shoalhaven and Sydney also extends to regional areas to the west and south of the Illawarra Shoalhaven also.

The *360 Outlook* will identify the major growth opportunities for the region from Sydney and Western Sydney, and without pre-empting its findings these are expected to confirm the freight and passenger transport connectivity infrastructure (rail and road) between Sydney and Wollongong and confirm the advantages to the region of the development of Western Sydney Airport.

a. Identify the sectors of the economy that can provide the greatest opportunities for regional development, including forecasts for jobs growth

The sectors of the economy that can provide the greatest opportunities for the Illawarra Shoalhaven have also been identified within the ISRP and these guide further more comprehensive development work across the multiple government and private stakeholder agencies and groups within the region.

The RDA Illawarra 'Transition Illawarra' Deloitte Access Economics (Update 2015) provides the projected employment for each sector of the economy.

b. How collaboration between levels of government, non-government and private sector can assist the regions to benefit from Sydney's global position, and

The region has a long history of collaboration between levels of government, non-government and the private sector. However it is recognised that several factors can prove distractions or disruptors to this process especially for the general community, often aided and abetted by regional media. These include:

1. Regional Boundary definitions

The IPJO argues that a good regional governance structure is essential to underpin the opportunities that Sydney's status as a global city offers to regions across NSW, and particularly to those sharing such proximity as the Illawarra Shoalhaven.

Local Government has worked closely with its communities to foster relationships that support collaboration at every level. While stakeholders in this region continue to work closely together whatever the boundaries established for specific programs, or state or federal agency delivery areas, the community and private sector remains confused not just in this region, but in many regions in NSW, by the continuing lack of consistency. This does not provide a firm governance basis, muddies the collection and use of data, and creates divisions in discussions of priorities.

IPJO believes the Joint Organisation pilot process put in place by the State Government to address this has already proven its worth, and is the key point of difference between the less consistent voluntary organisations of Councils (ROCs) and the Joint Organisation model. Consistency with the state regional planning documents and alignment or “nesting” JOs within State agency boundaries has provided valuable new synergies between local and state government service delivery and infrastructure planning.

Enabling legislation for the Joint Organisations would ensure longevity to this approach.

2. Definition of “regional.”

Similarly to above, the Illawarra Shoalhaven continues to pursue opportunities however they present, however unfortunately the differing definitions of what constitutes “regional” continue to present challenges.

Infrastructure NSW was established under legislation that separated out the regional centre of Wollongong from its constituent “region.” It could be argued that this situation is compounded for this region by the Australian Capital Territory, a key enabler of growth in south east NSW, similarly being viewed as a hole in the map of NSW. The need to capitalise on Sydney’s growth becomes even more necessary for this region given the competition that Wollongong faces for access to the metropolitan component of Restart NSW. It could also be argued that this anomalous definition of the region as part metropolitan/ part regional places the region at an advantage compared to other areas of NSW.

While the Illawarra Shoalhaven works hard to turn these definitions to advantage, the community finds the situation confusing, contributing to perceptions of inequity. Compounding this are the differences between what the State and what the Federal Government define as “regional.”

IPJO believes that the State definition of the region must necessarily include the regional centre of Wollongong.

Summary

- ▶ The soon to be released IPJO 360 Economic Outlook is expected confirm the major growth opportunities for the region from Sydney and Western Sydney as the freight and passenger transport connectivity infrastructure (rail and road) between Sydney and Wollongong; and the development of Western Sydney Airport.
- ▶ The RDA Illawarra 'Transition Illawarra' Deloitte Access Economics (Update 2015) provides the projected employment for each sector of the economy.
- ▶ Enabling legislation for the Joint Organisations would ensure a good regional governance model and longevity of the new synergies between local and state government service delivery and infrastructure planning to underpin access to opportunities.
- ▶ IPJO believes that the State definition of the Illawarra Shoalhaven region must necessarily include the regional centre of Wollongong.