

**Submission
No 21**

INQUIRY INTO REGIONAL DEVELOPMENT AND A GLOBAL SYDNEY

Organisation: Hunter Joint Organisation of Councils

Date received: 2 June 2017

2 June 2017

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

statedevelopment@parliament.nsw.gov.au

Dear Director

Subject: Regional development and a global Sydney

Thank you for the opportunity to comment on the Standing Committee on State Development's Inquiry into how Sydney's growing prominence as a global city enhances regional development in New South Wales.

Background to the Hunter Region and Hunter Joint Organisation

The Hunter is Australia's largest regional economy, and provides diverse employment, housing and lifestyle opportunities. The region has a strong track record responding to disruptive change and is a recognised test bed for research and innovation. The NSW Government's Hunter Regional Plan 2016-2036 identifies key strategic directions to drive sustainable development of the region, and is supported by all of the region's local governments. Regional Development Australia Hunter has also developed a Smart Specialisation Strategy, which identifies the competitive advantages of the Hunter region.

The Hunter Joint Organisation is an affiliation of the councils of the Hunter region, representing over 732,000 people. The councils of the Hunter have worked together at a regional organisation level since 1955. Since creation of the Hunter Council of Mayors in 2009, our [now] 10 councils have worked cohesively with government agencies to present a united position on key matters of concern to the region.

In breadth of activity, income generation and self-funding status the Hunter Joint Organisation is the largest, most diverse and most advanced regional organisation of councils in Australia. It delivers a one-stop shop approach to strategic communication between the NSW and Australian governments on areas of strategic opportunity and planning. It has done so in an apolitical and regionally focused way that has seen the councils of the region – through their Mayors – able to engage effectively with other levels of government and to demonstrate how intergovernmental ambitions and aspirations can be cooperatively resourced and delivered.

Given the level of cooperative strategy and capacity building already evident in the way the Hunter Joint Organisation operates, it provides a sound testing ground for new ideas, frameworks and partnerships to deliver improved outcomes for the Hunter region.

Response to specific Terms of Reference

a) ensuring the regions benefit from the expansion of international trade, infrastructure, employment, tourism, innovation and research in the greater Sydney region

The Hunter is a major contributor to the NSW economy in all of the areas identified above. Relevant aims of the region are to:

- expand its international connections to the Asia-Pacific through its air and sea port gateways,
- enhance inter-regional linkages to support economic growth,
- develop advanced manufacturing, defence and aerospace hubs,
- grow our tourism industry,
- protect and enhance our agricultural productivity, and
- diversify and grow the energy sector.

The Hunter has the capacity to both relieve pressure on Sydney, particularly in the area of affordable housing, and stimulate growth in other parts of regional NSW.

The Hunter does not wish to become a dormitory for Sydney. It does, however, seek to improve physical and virtual connectivity with a global Sydney. This would make the prospect of satellite offices for Sydney-based companies and access to Sydney markets for Hunter-based knowledge based services a realistic proposition. It would also facilitate access to the diverse range of visitor offering within the region. Accelerated public transport routes, particularly rail, and business grade broadband connectivity are critical elements of this improved connectivity.

Diversifying international trade through the region's major air and seaport creates opportunity to support the agricultural sector in other parts of regional NSW. Expansion of Williamtown airport to increase international trade routes to the Asia-Pacific will allow development of export markets for key agricultural sectors including dairy, viticulture, equestrian and avian industries.

b) identify the sectors of the economy that can provide the greatest opportunities for regional development, including forecasts for jobs growth

In the Hunter, the employment market is in transition, from a heavy reliance on mining and mining related services to a more diversified economy based on manufacturing, construction, mining, real estate, financial services and retail trade.

The Hunter RDA's Smart Specialisation Strategy identifies the following critical strategic growth industries:

- advanced manufacturing,
- creative industries,
- defence,
- food and agribusiness,
- mining equipment, technology and services,
- medical technologies and pharmaceuticals, and
- oil, gas and energy resources.

Priority actions to support these industries include:

- developing inclusive regional leadership through the Hunter Innovation Network,
- encouraging entrepreneurship, through education, training and business planning,
- developing skills for innovation by actively training and recruiting people to deliver core work-related skills required for the jobs of the future ,
- supporting collaboration between the university and business sectors,
- building a Hunter Innovation Initiatives Investment Fund to support start-ups, and
- coordinating regional policies and programs across the three tiers of government.

c) how collaboration between levels of government, non-government and private sectors can assist the regions to benefit from Sydney's global position

Hunter Councils welcomes the NSW Government's commitment to regional development, such as establishment of the position of NSW Regional Infrastructure Coordinator to support sustainable development of regional NSW. We also acknowledge the value of the Regional Leadership Group in providing coordination among NSW Government cluster managers and local government.

The Hunter has well developed mechanisms for engagement among government, business, academic and non-government sectors, including through the Hunter Business Chamber and Hunter Innovation Network.

Hunter Development Corporation is implementing the Hunter Regional Plan, with support from the Hunter Regional Leadership Group. There is currently significant good will within the Hunter to build regional collaboration and capitalise on Sydney's global position. The key challenge for our region is to manage the transition from a resource-reliant to a future-ready economy without losing our unique culture and identity.

Should you wish to discuss any aspect of this submission, please contact me on 4978 4043.

Yours faithfully

Roger Stephan

CEO Hunter Joint Organisation of Councils

cc: Scot MacDonald MLC, Parliamentary Secretary for the Hunter and Central Coast
Donna Rygate, CEO Local Government NSW
Michael Cassel, CEO Hunter Development Corporation
Stephen Wills, Director Hunter Department of Premier and Cabinet
Susan Wilson, CEO Regional Development Australia Hunter