

TRANSCRIPT

ECONOMIC DEVELOPMENT AND INFRASTRUCTURE COMMITTEE

Inquiry into local economic development initiatives in Victoria

Ballarat — 24 January 2013

Members

Mr N. Burgess
Mr M. Foley
Mr B. Carroll

Mrs I. Peulich
Mr G. Shaw

Chair: Mr N. Burgess
Deputy Chair: Mr M. Foley

Staff

Executive Officer: Mr S. Coley
Research Officer: Dr K. Butler

Witness

Ms J. Gillett, Executive Officer, Commerce Ballarat (sworn).

The CHAIR — Welcome to the public hearings of the joint party Economic Development and Infrastructure Committee’s Inquiry into local economic development initiatives in Victoria. Your evidence given today will be protected by parliamentary privilege. Any comments you make outside this meeting will not have that same privilege. I should also mention to you that evidence you give will become public evidence. Please state your name and position and whether you are appearing on behalf of an organisation or on behalf of yourself.

Ms GILLETT — My name is Jodie Gillett. I am the Executive Officer with Commerce Ballarat, which is the local chamber of commerce.

The CHAIR — I now invite you to make a verbal submission.

Ms GILLETT — Commerce Ballarat, to give you a little bit of background, was the result of a merger between the chamber of commerce and the retail board in 2004. We have around 400 members across all business sectors. We have diversified quite a lot in the last four years. Four years ago we had 120 members; we now have close to 400. As I said, when we were back at 120 they were predominantly retail and professional. Now we have members from every sector, as you will see in the report that is before you. Our mission is to provide strong, reliable leadership and advocacy on all matters relevant to commerce in the greater Ballarat region.

We offer to our members many development opportunities, often either free or at very reduced rates. Development is something we often find quite challenging to offer and to get businesses to take up. We offer information by way of a weekly newsletter. Through that newsletter we collate information from a wide variety of sources, whether that be from websites, business information, local news, local information or City of Ballarat news. That is distributed to around 1000 people every Friday.

We offer networking opportunities to our members. We do ‘buy local’ programs. Twice a year we do media campaigns encouraging spending locally. We also do a lot of work with that on the ground with some of the larger organisations, sometimes encouraging them to look towards our local businesses. We are responsible for the local business awards here in town, which throughout that six-month period involve around 500 businesses. Our awards are designed to encourage not just winning an award but reviewing your business throughout that period, so it is a development opportunity in itself.

Ballarat City Council is extremely supportive, and we have a great partnership with it, with the councillors and with the economic development team. We are fortunate that Ballarat is full of very experienced and innovative people. They involve our organisation in all the planning for the city, including the economic strategy, as Kay mentioned before.

We currently are working with the city and looking at a program to look at our retail and hospitality sectors. There are, as everyone knows, huge challenges for these sectors already, but they are going to increase. We have some issues in town with our retailers being stuck back about 10 years, and we need to move them forward. We need to make sure that they are around for the long haul. We have a lot of small businesses that are the niche businesses in Ballarat, and they are incredibly important when it comes to tourism and spending locally. We need to help those businesses transition — and hospitality is in the same situation — through to being online and being involved in social media. So with the city we have been looking at that as a program, and we are continuing to. We will be looking for funding to actually work right through those sectors and bring them out the other side.

As far as the chamber goes, we also believe that because we are a somewhat larger and successful chamber we have a bit of a leadership role when it comes to other small chambers. Chambers of commerce are just so incredibly important to towns and to cities and their businesses. About three years ago we were instrumental in establishing Business Networks Alliance Victoria, which allowed chambers to interact with each other. There was no way for that to happen before, and it can be a great learning experience to talk to other chambers of commerce. We have meetings twice a year. Unfortunately many chambers of commerce are run by volunteers, and therefore they are not actually able to attend the meetings, but we get about 25 chambers as a general rule. We move them around the State. Those 25 chambers represent around 3000 businesses. For us to interact and learn from each other is incredibly important.

We have been looking to find funding to set up a website to enable the other 125 chambers to interact with us online and to source the information that we offer at the meetings that we have. As I said, we move them from chamber to chamber. The last meeting was at Frankston and the next one will be in Hamilton. It is just a wonderful opportunity for us to learn. It has taken a lot of work, and it is something that commerce has done on top of our charter, which is to look after our members, which has sometimes proved to stretch the resources just a little.

We are also this year going along a similar line putting out a new event in 2013 which is called Business Day Out. It has basically come from me attending a couple of conferences in Melbourne, seeing amazing speakers and knowing that often businesses in Ballarat — and even more so in regional Victoria — do not have access to these speakers. They cannot afford it. Going to Melbourne is intimidating for these businesses. We are having the first one in May and it will be a one-day conference. We are bringing three speakers from Sydney and one from Melbourne. It is a huge financial risk for our organisation, but we hope it will become an annual event and that it will benefit regional businesses — predominantly out here in western Victoria, but we will be promoting it state-wide through our chamber network.

What else do we do? We do so much. Other opportunities include information breakfasts, as I said. We liaise with the city on that and offer them opportunities. The next one is coming up in a couple of weeks and all of the councillors will be attending that to offer business the opportunity to ask directly any questions they may have. As you will see in the report, there is a wide variety of things that we do.

The CHAIR — That is it?

Ms GILLETT — Yes, I think so.

The CHAIR — Thank you very much.

Mr FOLEY — Can I thank the Commerce Ballarat for its submission. If you had to discuss the ways in which the chamber saw how different levels of government coordinated and interfaced with your members, particularly around some of the strategic issues of investment, support, infrastructure and jobs et cetera, does the chamber enter that space, or given the richness of the Ballarat business networks, is that space taken up by others?

Ms GILLETT — We are very fortunate in Ballarat to have Commerce Ballarat and the Committee for Ballarat, and we work very much side-by-side. The Committee for Ballarat really is the voice for Ballarat outside of Ballarat, and I would see us as the voice for Ballarat within Ballarat. That does not mean to say we do not have some opinions on some of these things. But one comment I have is that, from our point of view, sourcing funding often can be difficult. I think, harking back to the changes in the department, that has created some communication difficulties. We have some good people in DBI here. Often they have a really good understanding — as does Ballarat City Council — as to what is required locally, who can deliver that in the best way and who is actually doing a good job at the moment. Often that is hard to communicate through to Melbourne to people who actually do not know the people that they are dealing with. Increased funding to the local identities, to the local DBI, that is a discretionary fund where they can say, ‘We think this is an important thing for the city. We think this business is doing really well’, as opposed to it getting lost. There are also issues with size of business. With a lot of these programs they are classed as a small business. A small business in the metropolitan area is very different to a small business in Ballarat, and often our businesses actually do not fit the criteria.

Mr CARROLL — One of our terms of reference is to examine existing local government programs that are operating in different municipalities. I noticed a funny thing in regard to your Business to Ballarat ‘buy local’ campaign — I noticed this in Bendigo. There is a Beechworth Bakery in Ballarat and in Bendigo, which employs local people, which is very good. But I daresay Ballarat has a bakery that can match the Beechworth Bakery any day. You have obviously promoted that campaign through the press and things like that. Do you do farmers markets? Can you expand a bit more on that?

Ms GILLETT — The buy local campaign is about buying local, and our Beechworth Bakery is local. We would encourage people to buy their pie from there as opposed to the one in Bendigo. That would be the way you would go.

Mr CARROLL — Yes.

The CHAIR — It is far too far to drive, isn't it, to get a pie from Bendigo?

Ms GILLETT — Yes it is, absolutely. As I said, our motto is 'try and buy local'. We are not steadfast, but try and buy local. A big part of that is also encouraging businesses here to offer appropriate goods and services, and that is why it is so important to look at the program we are hoping to do with Ballarat City Council. It will take our businesses to that next level to stop that escape expenditure. We often find that they can be a little complacent, which causes people to go out of town. Do you mean by 'targeting farmers markets' that we are against them?

Mr CARROLL — No — do you promote them? For example, to restaurants — you want to make sure that they are buying local produce and local wines. Is that how the advertising spend is made? How does the campaign work? Is it an ongoing effort or is it a once-a-year program you run?

Ms GILLETT — No. We do two media campaigns, as I said. One is in April, which targets business-to-business and that is about encouraging. The figure for business spend outside Ballarat is large but it is also the fact that often those services are not available, so that is about business-to-business. The campaign we do later in the year is around Christmas spend and spending your dollars locally. In between we often do other work. For example, last year we did a workshop where we brought the two hospitals, the University and Mars to the table, and then we brought in a roomful of small businesspeople and they actually went through their procurement processes and how local businesses can buy from them. Often that is the confusing part: 'I want to do business with the uni, but I don't know how.' There is a lot of on-the-ground work that we do in between that. The media campaign is really just a little bit of a prick of your conscience, maybe, or we hope.

Mr CARROLL — Spur on.

Ms GILLETT — But in between times it is about developing and all the development programs that we do are about improving the services that they offer.

The CHAIR — Jodie, a quick question: when we were in Bendigo yesterday, everybody we spoke to at one stage or another raised the high cost of wages as an issue and yet today in Ballarat we have not heard that at all. Do you have an opinion on that?

Ms GILLETT — I guess a small one. There are issues within hospitality along those lines. That is a problem. We are a city that is becoming increasingly tourism orientated. This month in particular the city has been full of tourists, which has been thanks to Ballarat Regional Tourism and Ballarat City Council and the work that they have done. In the past that was never an issue. That is becoming more of an issue because we are saying to our businesses, 'If we want to bring people here, we need you to be open', and they are saying, 'But we can't afford to be open' — because of penalty rates and those things that are involved. So that is certainly an issue in that sector and I am sure that is an issue everywhere.

Mrs PEULICH — Thank you very much. Traders associations are your members?

Ms GILLETT — No; businesses are our members.

Mrs PEULICH — And other subsidiary traders associations, do you actually have a relationship with them?

Ms GILLETT — That is through Business Networks Alliance Victoria. As I said, that is just really a sideline hobby that we initiated because of my wanting to interact with other chambers and not knowing how to go about it. There was no database of chambers of commerce until we put one together, which is quite incredible.

Mrs PEULICH — I am very impressed with what you do, but just broadly speaking, in other council areas there is no presence of your organisation — and that is fine — and some traders associations are virtually non-existent, even though there are retail strips and very significant clusters. In those instances, does local government have a role in providing some support to make sure that those traders associations are supported initially, and should traders associations of that nature then be brought together on a regular basis in some sort of economic forum? I am just inviting you to comment on that.

Ms GILLETT — That is the first thing I learnt when we put BNAV together. I knew that we were lucky with the relationship we had with the council and I knew that we were lucky to receive support from them, but I did not realise how lucky until I found out that we were one of the very few chambers that were actually supported by their local council.

Mrs PEULICH — Which is the reason why I asked the question.

Ms GILLETT — At the first meeting we had in Melbourne we had Jeff Pulford come to speak to the chambers there. He talked about how much we can do for them. We have interaction with the businesses at a much closer range than they do and we can do programs and complete programs on their behalf. I think it is absolutely crucial. There are not many successful chambers. There are an awful lot of very small ones out there that are really struggling purely with volunteers and it really does not take a great deal to make them effective. As I said, we communicate once a week with 1000 local businesspeople.

Mrs PEULICH — Especially where there may be very significant tracts of business and industry, and where there has been no support.

Ms GILLETT — It is the diversity of the chamber that is important. In my opinion if you have a chamber full of retailers that does not benefit anyone, but if you have at our networking event a retailer talking to a hairdresser talking to a lawyer, then you start to actually create links and interaction amongst your business community, which is really important. Retailers are only about 20 per cent of our membership.

The CHAIR — Thank you very much, Jodie. We really appreciate your presence here and we certainly appreciate the information you have provided on behalf of your organisation. In about two weeks you will receive a transcript of today's proceedings. You can make any changes to it if you think there are typographical errors, but none to the substance of the document.

Ms GILLETT — Thank you for the opportunity.

Witness withdrew.