

TRANSCRIPT

ECONOMIC DEVELOPMENT AND INFRASTRUCTURE COMMITTEE

Inquiry into local economic development initiatives in Victoria

Geelong — 13 March 2013

Members

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Witness

Ms E. Carbines, Chief Executive Officer, G21 — Geelong Region Alliance (affirmed).

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. The evidence you give today will be protected by parliamentary privilege. However, any comments you make outside the hearing will not be afforded the same privilege. These proceedings will also become a matter of public record. Could you state your name, the position you hold and whether you are appearing on behalf of an organisation, please?

Ms CARBINES — My name is Elaine Carbines. I am the Chief Executive Officer of G21 — Geelong Region Alliance.

The CHAIR — Thank you, Elaine. I invite you to make an oral presentation.

Overheads shown.

Ms CARBINES — Thank you very much. Thank you for the opportunity to present today; G21 is certainly appreciative of this opportunity. I want to make a short presentation, just a little bit about who we are, some of the strengths and challenges that face the G21 region, what we are doing about those in terms of strategically planning for the future for the region, how we are implementing the Geelong region plan, and also what we are doing in relation to managing growth — the forecast population growth in our region — and how we are aiming to diversify the economy in the G21 region.

We are a formal alliance that has been in place for 11 years. It is made up of the five municipalities that make up the G21 region, so that is the city of Greater Geelong, the borough of Queenscliffe, the Surf Coast shire, the Colac Otway shire and the Golden Plains shire. They decided 11 years ago to work together rather than in competition with each other. I think this is the first such alliance in Australia of municipalities working together. We have a formal designation under the State and Federal Governments as a regional strategic planning committee, which means that we have the opportunity to advise both state and federal government departments, and obviously representatives, of the region's priorities and issues affecting our region. We are linked through the Regional Development Australia committee. We are one of the two subregions for the Barwon South West Regional Development Australia Committee, the other being Great South Coast.

Those are the five municipalities. We cover about 10 000 square kilometres, and we have just shy of 300 000 people living in our region. Our population is growing quite steadily, at around about 1.7 per cent. We have a very diverse economy — as you can imagine — going from the city of Greater Geelong to the rural shires. We are in constant transition, and we have significant natural assets across our region — think of the Great Ocean Road, the Surf Coast, the Great Otway National Park, Corio Bay and the Barwon and Moorabool rivers. It is actually a lovely place to live.

We have some very important strengths in the region that are well-known, such as our tertiary and secondary educational institutions, Avalon Airport — I know you have been either hearing from them or have been there today — and the port. I will not go into them all. The Geelong Ring Road has been pivotal to actually transforming the connectivity of our region. That has been in place for about six or seven years now, and it really has transformed the way our region works. We have enormous research capabilities here through Deakin University and Barwon Health. I understand the animal health laboratory has the highest level of biosecurity in the southern hemisphere. We have the Australian future fibres research institute. So there is enormous capability in the region.

We have a big events sector now. Two years ago we hosted the world cycling championships in Geelong. We can show that we are able to host international events very well. We have a great environment and lifestyle, and we have the Geelong Football Club, which is a source of great pride and economic development in the region by itself.

Mr FOLEY — Stop right there!

The CHAIR — You were going really well until then, Elaine!

Ms CARBINES — Well, they deserve to be mentioned. It is not just because I barrack for them. They are a great source of pride in our community, and when they are winning, the region is all up.

We have a lot of challenges in the region as well. It is our job to identify those challenges and work to see what we can do to alleviate them so that our region continues to grow and our economy strengthens. Our economy is changing rapidly. As you know, we have been hit very hard by the global financial crisis. We are basically an export economy in Geelong, so manufacturing has been very hard hit by the high Australian dollar. We have seen challenges to some of the major employers in the region and a number of jobs have been lost over the last few years in the region.

Climate change — being a coastal community, any sea level rise is going to affect our communities across the region, plus any temperature change will affect our ability to produce the sorts of food we do now. Water — we were in a drought long before the drought hit Melbourne. We have severe water supply issues, and of course we have a severe risk of bushfires here in this region as well. Our carbon footprint is high, particularly in the city of Greater Geelong. Our transport links are poor in the region. The further you go from the CBD of Geelong, the harder it is to access public transport, with only three trains a day, for example, from Colac into Geelong, which means many Colac people become very car-dependent. Our links to Melbourne are poor. Basically our link is the West Gate Freeway and the West Gate Bridge, and we see this as the no. 1 issue affecting the whole productivity of our region — the poor access to Melbourne. So we are big supporters of the east–west link proposal. Population growth: we are very keen to have more people living in our region, but we want that to be managed appropriately and sustainably, so the infrastructure keeps pace with the growth. We have poor educational skills and outcomes in our region, and people are pretty surprised when they hear us talking about that — that fewer than the state average of children go on to finish secondary school in this region, and fewer therefore go on to tertiary education, which affects their employment capabilities and their personal lives, but it also affects the region's productivity. The fact that we have large populations that are under-educated certainly needs to be addressed in this region.

We have some very underserved communities historically, suburbs such as Corio, Norlane, Whittington, Colac and also Meredith in the Golden Plains shire. These communities have been underserved for a long time, and they are communities that have high unemployment and poor education outcomes, and poor health outcomes as well.

So what are we doing about that? We actually have a plan that took two years to devise. It is now five years old, the Geelong region plan. It has been signed off by each of the five councils in the region, plus the State and Federal Governments as the blueprint for really going out to 2050 for our region — planning across a range of measures, be it education, the environment, transport, the economy, improving people's health and wellbeing and where we want to be by 2050. It came out of a collaborative process, a large community engagement process, which took place over 2006 and 2007. That is the foundation document for G21, which we work towards.

Our work is to implement that plan and to identify projects that may be infrastructure projects, may be economic development projects or may be social infrastructure that will in some way go towards implementing the Geelong region plan. Our board has identified 16 projects that we have on our books this year for 2013. They are the projects there. You can see that some of them are road infrastructure, some are developing Avalon Airport, some are arts and cultural infrastructure and others are things like identifying that there is disadvantage in this region and how we address that issue? What are the critical interventions that are needed to support those communities that are at risk of being left behind?

What I wanted to do is take you through some of those projects, because I understand that is the work of this committee: looking at how the regions can be assisted with infrastructure commitments and projects. As I said, we consider the access to Melbourne the biggest threat, I suppose, or constraint to the future of our region. We are so reliant on access to Melbourne. We have over 12 000 people commute every day to Melbourne, and it regularly takes 2 hours in peak times to get to Melbourne via car.

Mrs PEULICH — What is the distance?

Ms CARBINES — It is about 80 kilometres from Geelong to Melbourne, but by the time you get to Werribee you are pretty much stuck in a car park. We are then joined by all the Wyndham people, the Point Cook people, and people coming in off the Western Ring Road from the north-eastern suburbs of Melbourne accessing Melbourne that way. It is really not just affecting people's domestic lives, it is also affecting the productivity of the region because our freight movements are severely constrained. We are very big supporters

of the regional rail link as a way of moving our people around the region and into Melbourne and getting them back again, but we are also big supporters of the need to address the second crossing of the Yarra and Maribyrnong rivers. Sometimes people are surprised when they hear regions talking about that and they consider it to be a metro project, but it actually is of critical importance not just to the G21 part of the region but the whole Barwon south-west.

Armstrong Creek has had a bit of publicity lately, and this is the major growth node for the city of Greater Geelong. It will accommodate 60 000 people into the future and the development is already well under way. The vision for Armstrong Creek is a greenfield site but with infrastructure service provision from the start, not playing catch-up as many estates have done historically. There have already been significant commitments from the State and Federal Governments into Armstrong Creek, so we have seen considerable commitments in terms of health, new railway stations, emergency services and land purchases for schools. We are very keen to see that commitment continue and obviously built on, because now there are residents starting to live in Armstrong Creek. It has actually now gone from vision to reality, so that is a very exciting project for the whole G21 region.

We are so excited about the potential for Avalon Airport and what it means for our region into the future for employment prospects, and if we gain the international status and an international carrier, what that means for tourism in our region and what it means for freight movements. We are very supportive of the commitment by the State Government for the rail link into Avalon Airport. We are very keen to see that proceed. Obviously it will differentiate us from Tullamarine. We are delighted to see that the government is proceeding with that and is conducting community consultations about the route of the rail link, so we are excited by the prospects for Avalon Airport.

We have very ageing cultural assets in Geelong. The Geelong Performing Arts Centre was built in 1980 when the region and the city was half the size that it is today, and it is much loved. We get 500 000 people a year coming into the cultural precinct, but the facility itself is way past its use-by date and we are really keen to see a commitment in relation to the redevelopment stage of the Geelong Performing Arts Centre. We consider at G21 that the liveability of the region is enhanced by the ability of our people to access performing arts. It is part of what makes the region an attractive place to live. That is a very important project for us. We have been delighted that both the State and Federal Governments have committed to the library and heritage centre, and that is now under way, but the missing part of the puzzle is the Geelong Performing Arts Centre.

You heard me talk about the ring-road and how it has transformed the connectivity of the region, but it is not finished. The vision is to swing the ring-road all the way around to the Bellarine Peninsula at Portarlington Road, so a critical piece of work that needs to be done is the planning for that continuation of the ring-road and the land reservation. At the moment there has been some planning done and I have recently seen a thing from VicRoads saying that it is feasible to have the ring-road going around to the Portarlington Road, but the fear is that if the land is not reserved, it will get built out and the options will be diminished into the future to finish the vision of the ring-road. It is not just the ring-road, it is the roads that connect the ring-road that improve the connectivity of the region, so a critical piece of infrastructure — we are going to Canberra next week to lobby for this — is to upgrade the Midland Highway to Bannockburn. Bannockburn, in the Golden Plains shire, is growing at 9 per cent per annum, and that boom has really come out of the ring-road being delivered in Geelong. But the connecting road, the Midland Highway, is just a two-lane highway and the traffic on it is growing every month. We are very keen to see that highway duplicated and also connections into key growth areas in Torquay and Jan Juc.

Portarlington safe harbour — the Portarlington harbour is the home of the mussel fleet for Port Phillip Bay. It is a very important industry for the economy of our region but also for the State — the aquaculture industry. The harbour itself is really ageing and failing, and it needs considerable investment in order to be able to accommodate the mussel fleet, which is growing. The opportunities for aquaculture in our region are growing steadily, not just mussels but oyster farming as well, so we are very keen to see this project be recognised by the State Government and invested in, because if it is not, this will severely compromise the capacity of the important aquaculture industry to continue to grow.

Yarra Street pier reconstruction is a very important project for the whole region. It has the support of the five municipalities in the region. This is to rebuild a pier at the end of Yarra Street that apparently was burnt down in the 1980s. The idea behind this is to afford the opportunity for cruise ships to moor in Geelong. We have had a

couple over summer that have had to moor out in Corio Bay and the people have to tender into Geelong. It would be much better if they were able to moor right in Geelong. It would give them more time, it would afford the opportunity for day trips around the region and it would give the opportunity for the Royal Geelong Yacht Club to expand as well. It is a really important piece of infrastructure, and we have been delighted by the State Government's commitment to the business case for that. We are hoping that the State Government remains very interested in that project.

You have seen the GREP this morning. I probably do not need to talk to you anymore about that, but the potential for the Geelong Ring Road employment precinct is huge, given its situation next to the ring-road, adjacent to Avalon Airport, near the port and near the Princes Highway. The logistics potential for that site is enormous, and all the municipalities see employment opportunities for their people there.

The Great Ocean Road is obviously a very much-loved icon in our region. It receives over 7 million visitors a year. It is really the jewel in the crown for our regional tourism economy, which is worth over \$2 billion a year. But the road itself is failing in many parts and according to VicRoads it needs about \$10 million per year invested in it in order to be able to maintain it. Of course if it is not maintained and it fails, as it did a couple of years ago — it had to be closed for over a week — the tourism economy then is severely affected and the whole economy of the small townships that rely on the Great Ocean Road is severely compromised. We are very keen to see an investment from both the State and Federal Governments into this road. The Federal Government commits no money to this road at all despite the fact that it is the third most visited international destination in Australia. We are running a campaign on that at the moment to try and get that money into the road to protect the tourism asset that it is into the future.

The Regional Trails Network project is looking at infrastructure across the region to provide shared-use trails not only for the people who live in this region but for the many visitors that come here. It is another tourism opportunity but it also contributes to the health and wellbeing and the liveability of the region. There is plenty of planning work that is being done through DSE and the Department of Planning and Community Development to identify opportunities to invest in trail infrastructure in the region.

The Regional Growth Plan has taken 18 months to complete. As I said before, our population is about 285 000 to 300 000 people, and we know over the next 20 to 30 years our population will grow to about 500 000 people or possibly more. We are comfortable with that in this region. We have done a piece of work, which is the first of the eight regional growth plans, to plan for where those people should live, where they will work and what infrastructure is needed to support them across the region. This plan has been signed off by the five councils in the region and is now sitting with the Minister for Planning and waiting for his approval, because what we are hoping will happen is that it will be incorporated into the Victorian planning provisions and become the blueprint for development in our region into the future. It is a very exciting collaborative piece of work.

Lastly, we have been working on an economic development strategy to address the issue that our economy in this region has traditionally been pretty heavily centred on manufacturing. We know when manufacturing is hit hard that it really affects the whole economy of the region and the employability of our people, and we need to diversify our economy so that if one sector is hit hard, it is not going to buffet Geelong in the way it might have done in the past. Our economic development strategy — which is still in draft form — is working to leverage off our competitive advantages in the region, such as research opportunities, finishing the ring-road and changing attitudes in this region to say that we are actually open to business and we are not frightened of people knocking on our door, which we may have been in the past. That is basically the presentation.

The CHAIR — Thank you.

Ms CARBINES — I am happy to take any questions. I have brought a couple of documents for you to have.

The CHAIR — We would be very happy to have those. We are running quite a bit behind time, so we might just keep these questions very brief, if that is possible.

Mr FOLEY — It is absolutely possible, Mr Chair. Thank you, Elaine, for that presentation. Do the 16 priorities that are in your document, and that you just ran through, reflect an agreed priority list? If it does not, what is the agreed priority list of your constituents?

Ms CARBINES — That is the agreed priority list for the five councils for the region for 16 projects. Recently we have prioritised the priorities in the lead-up to the federal election and the no. 1 priority is that transport link to Melbourne. We have them in order. Not all the projects require federal government funding; some require state funding and some do not. So we will be doing the same in the lead-up to the state election next year. But yes, they are the agreed priorities that the board has identified for our work at G21.

Mrs PEULICH — That was going to be a part of my question, Elaine. The board has agreed on the priorities, but do all of the participants also agree on those priorities? Firstly, do those priorities vary according to the opportunity that presents itself — that is, the federal election campaign — or is there a set list of priorities? Secondly, how does G21 operate? Do the five councils all put in money for the secretariat? What is the cost of the operation and how does it function? How is the board appointed? I ask because it is an interesting model.

Ms CARBINES — It is a very interesting model; it is quite dynamic. We have a 15-member board. The five councils have their CEOs on the board and they also have an elected representative on the board and that is usually the mayor, although the Borough of Queenscliffe has the Deputy Mayor. On top of that we have five directors elected from our membership base, so we have 190 organisations across the G21 region who are members of G21. We are a company limited by guarantee, so we have to comply with all of the Corporations Act and ASIC requirements. That is the structure. There is a very small secretariat, and that is funded through the five councils on a proportionate basis; for example, the city of Greater Geelong's population is 75 per cent of the regional population, so it funds 75 per cent of our operations. The borough of Queenscliffe is about 1 per cent, so it funds 1 per cent of our operations. The most interesting thing around the board table is that everyone has an equal vote, and that is a very interesting dynamic.

Mrs PEULICH — It is a bit like our Senate.

Ms CARBINES — Yes, because despite how much a municipality pays it only has one vote compared to everybody else, and that keeps it all interesting and involved.

Mrs PEULICH — Can I ask, without being too presumptuous, what is the total cost per annum for the operation of G21?

Ms CARBINES — The total cost is around \$600 000 per annum, and on top of that we are also asked to deliver primary care partnerships for G21 regions through the Department of Health. We have a budget of about \$340 000 that is like a business unit nestled within G21 and is separate to the operations of G21 but operates out of our office.

Mrs PEULICH — And the number of staff?

Ms CARBINES — We have three full-time staff and about six or seven part-time staff. It varies. It is a very small operation. The engine room of G21 is the over 300 professional people who donate their time to our pillars. We have eight pillars: education, economic development, transport, et cetera. So 300 professional people donate their time to formulate these projects to recommend to the board, and they are people such as CEOs of councils, general managers and senior bureaucrats from each of the government departments who are nestled in our structure.

Mrs PEULICH — It is like a reference group.

Ms CARBINES — It is. That is right. It is very dynamic and it is a bottom-up organisation where they derive the projects and recommend them to the board.

Mr CARROLL — Thanks, Elaine, for a good presentation — very professional. The key strength from your presentation was the collaborative approach of G21. One of the terms of reference for this committee is how the State Government can work and collaborate more closely with local government. You have just demonstrated a very professional strategic view for 2050, which is a brilliant road map. In your view how can the State Government now collaborate with G21, Greater Geelong City Council and the other five municipalities? How can we work more closely to collaborate to implement a vision like that — Vision 2050? Do you have any suggestions?

Ms CARBINES — G21 is pretty happy with the level of collaboration. I think we do have a degree of credibility and trust. The government departments are all embedded in our pillars, so there are no surprises for government, and we work very closely with all of the government regional managers that are embedded in our pillars. I think we would all like more access to ministers, but that is always a competitive thing; people are very busy. We are pretty happy. We are a designated regional strategic planning committee, we are taken seriously by both the State and Federal Governments, and I would like to see that continue. I think it is of enormous value to us but I also think it is of value to the government as well. It is a very efficient way of talking to diverse communities across the region. We are pretty pleased with both the Federal and State Governments. I would be disappointed if it did not continue, because it is actually an effective model. I think the fact that the government departments come to G21 and work with us and spend their time working on our pillars is reflective of the fact that there is a high degree of trust that has been built up over the last decade, irrespective of which government is in power. It has been a very effective model. I would like it to be continued.

Mr CARROLL — If I could just ask you, the Geelong regional plan 2050 comprised two years of work. You are obviously greatly empowered by working with the bureaucracy not only at both the state and local level but with those five councils. To implement it and get that done over a two-year period you were obviously given significant authority to pull people together. Is that how it sort of worked?

Ms CARBINES — Yes. It is a model that has been worked on as a continual improvement model through those eight pillars. That is where a lot of the critical thinking is done — at the pillars — and they make recommendations to the board via me. As the CEO, my job is to make sure the pillars are functioning properly and meeting and doing their work, and they do. It is incredibly dynamic, and many people cannot believe that it actually happens. In a sense it is a huge achievement. It is because they see the outcomes from their work. Public servants do not make time to attend meetings if they do not see an outcome, and they do see an outcome. They can actually see some of their work progress via G21. It will take us a long time to implement the plan, and we are continually revising it to take advantage of opportunities that come our way. We try to be nimble and responsive to good opportunities that come our way, and they do.

The CHAIR — We really appreciate your time and effort and the information you have provided for us. It has been said that it is a credit to you and to your organisation. You will receive a transcript of today's proceedings within the next fortnight, and feel free to point out any shortcomings you believe there may be grammatically or with punctuation but not with the substance of the document. Thank you again.

Ms CARBINES — Thank you very much for the opportunity. We appreciate it.

Witness withdrew.