



Victorian  
Chamber of Commerce  
and Industry



# THE REGIONAL AGENDA RECOMMENDATIONS

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# REGIONAL BUSINESS IS VICTORIA'S BUSINESS

The next State Government must make accelerated regional economic, investment and employment growth a priority.

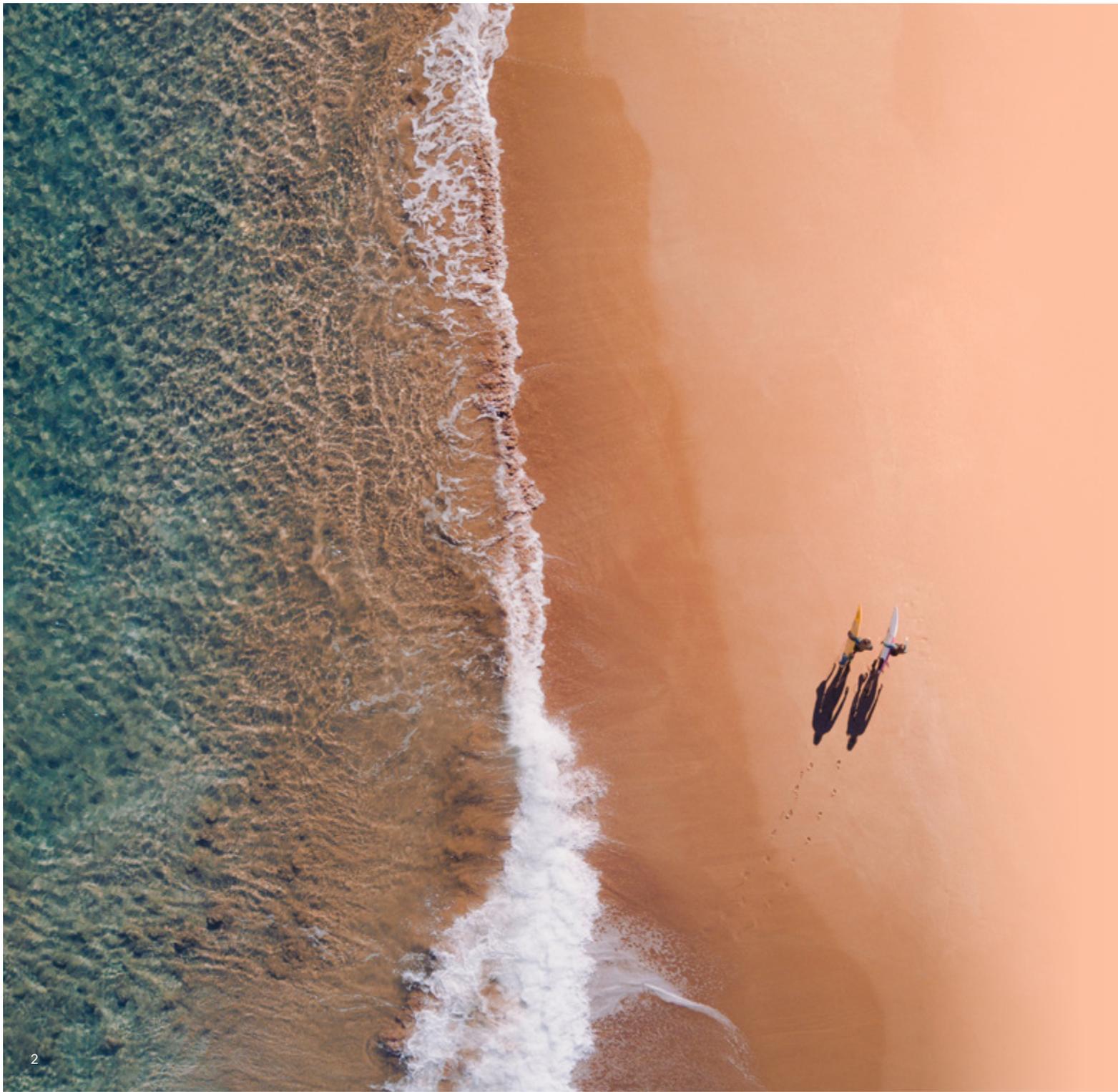
Victoria's regional have done well to adjust to new challenges and opportunities over the past decade. They have demonstrated resilience in the face of changing economic circumstances. Most have experienced overall positive growth in employment. Many have successfully expanded into new markets at home and abroad. Local economies continue to diversify.

The potential for further economic growth is strong. Regional populations are growing. Regional tourism is strong and regional liveability is high.

However, further growth cannot be taken for granted. Pressures working against Victoria's regional interests are mounting. Economic and employment growth rates differ between geographic locations. Regional populations are ageing and service demands are rising. Rising energy prices are reducing regional industry competitiveness. The quality of physical and social infrastructure varies widely across regions.

Meeting these challenges and securing sustainable regional growth will require all arms of economic management to be focused on growing new competitive opportunities across the state.

Priority actions must include measures to lower regional business costs, improve regional infrastructure, strengthen regional education and training outcomes and foster regional trade and investment.



# THE REGIONAL AGENDA

The following principles should guide the agenda and actions needed to secure further business, employment, trade and investment growth throughout regional Victoria:

- > Regional prosperity benefits the whole State.
- > Diverse regional economies are essential for business and community resilience.
- > Strong regional incomes depend on connecting local communities with jobs and local businesses with markets.
- > Publicly supported economic development programs and investments should be framed and evaluated according to their long term benefits and impacts on the whole community.
- > Victoria's natural environment is richly diverse, unique and precious. As a key feature of our regions and our biggest tourist attraction it must be carefully managed into the future.
- > Liveable regional communities require land use plans that ensure a mix of uses, while maximising economic development.
- > Because innovation and human capital are important competitive advantages, priority should be given to investing in regional education and training that has clear pathways to work or further study.
- > Leadership and collaboration is vital to creating regional structures that promote growth that respects local character and identity.
- > Helping regions develop a distinctive identity fosters a quality of life that is attractive for business retention and private investment.
- > Regional development policy should not just be about promoting greater growth. It should also seek to reduce the inequality between small regional towns and major regional cities.

Victoria's regions and their communities require a vision and strategy for economic development based on these principles. Most importantly, they require action.

A sunset over the ocean with a large diamond-shaped overlay containing text. The sun is low on the horizon, casting a warm orange glow across the sky and reflecting on the water. The foreground shows waves crashing against a dark beach. The diamond overlay is semi-transparent, allowing the background scene to be seen through it.

**FIVE PRIORITIES  
FOR THE NEXT  
STATE GOVERNMENT**

## REDUCE THE COST OF DOING BUSINESS IN REGIONAL VICTORIA

- > Increase the payroll tax threshold to \$850,000 from 1 July 2019.
- > Provide a 25 per cent discount on land transfer duty applying to commercial properties located in regional Victoria. This will encourage businesses to set up or relocate their businesses in regional areas.
- > Undertake an independent review of the licences, registrations, certifications, permits or approvals impacting on regional business. Significantly reduce their number, scope and complexity.
- > Amend current Victorian Industry Participation Policy (VIIPP) to require government departments and agencies to consider competitive local suppliers, including SMEs, when awarding contracts valued at \$500,000 or more in regional Victoria (compared to the current threshold of \$1 million or more).
- > Utilise Regional Partnership groupings of local councils to harmonise, streamline and coordinate council's regulatory roles, reduce regional business costs and improve regulatory service delivery.
- > Provide \$5 million to deliver regional small business training on how to access government procurement, including how to prequalify and where to find out about tenders.

## MAKE REGIONAL EMPLOYMENT, EDUCATION AND TRAINING A PRIORITY

- > Provide an exemption from payroll tax or full payroll tax rebate for eligible new regional trainees and apprentices, as currently exists in NSW, ACT, QLD, WA and TAS.
- > Encourage regional TAFEs to work more closely with major regional employers and clusters of smaller enterprises to deliver training that is tailored to the needs and characteristics of local businesses (for example, the energy, oil and gas sector in Gippsland, the dairy industry in Colac and the fruit industry in Wangaratta).
- > Continue to provide funding to support labour force adjustment and transition strategies in regions experiencing economic decline. The objective must be to link latent workforce capacity in declining regional towns with employment opportunities in neighbouring regions characterised by emerging and/or high growth industries.
- > Extend the Back to Work scheme to other regional areas characterised by high youth unemployment and/or industries undergoing transition.

## ACCELERATE REGIONAL INFRASTRUCTURE, SERVICES AND LIVEABILITY

- > Commit to and implement the infrastructure and key project priorities for regional business identified overleaf.
- > Finalise a site for Melbourne's third major airport in the southeast, maximising opportunities for private sector investment.
- > Further decentralise key State Government departments and agencies to regional locations and implement a 5-10 year reform timetable.
- > Investigate the construction of a new fast rail service between Geelong and Melbourne and Ballarat and Melbourne.
- > Require Infrastructure Victoria to undertake an independent analysis of the short, medium and longer term infrastructure needed to foster increased regional competitiveness, connectivity, workforce participation, productivity and liveability. This work should call out infrastructure to support important regional industries, such as agribusiness.
- > Develop an overarching Regional Victoria Growth Strategy that includes a comprehensive population plan to ensure Victoria's regions share the prosperity associated with the growth of the State's population.
- > Work with the Federal Government to accelerate the pace and quality of the NBN rollout in regional Victoria and double the Victorian Government's financial co-contribution to the Federal Government's Mobile Black Spot Program, including monies for new and upgraded mobile base stations.
- > Encourage further unsolicited bids for infrastructure projects from the private sector to enhance the pipeline of regional infrastructure projects. In support, develop a Regional Victoria Investment Development Profile that highlights the top 10 regional 'investment ready' infrastructure projects to highlight private investment opportunities.
- > Expand parking options for heavy vehicle operators in major regional towns to reduce pressure on commercial and residential areas.

## STRENGTHEN REGIONAL TRADE AND INVESTMENT

- > Consider the use of tax holidays or concessional tax arrangements to attract new productive investment that makes a significant contribution to Victoria's regional economic base and facilitates increased employment and stronger access to international markets.
- > Investigate establishing an Enterprise Zone at Avalon Airport, unlocking a key development site, consolidating infrastructure, attracting business and creating jobs. To achieve this, the Enterprise Zone could fast track the processing of development and building permits, provide fast-tracked access to the NBN, provide payroll tax exemptions and rent holidays within the zone and grants to businesses making large investment in plant, machinery and infrastructure.
- > Encourage state and local government investment in existing food clusters, and new ones, including the Bunyip Food Bowl, the Geelong Seafood Cluster, Plenty Food Group, (formerly North East Food Cluster) and East Gippsland Food Cluster.
- > Fund a new \$5 million Regional Trade and Investment Ready Program, delivered by industry, to identify and support Victorian regional SMEs seeking inward investment as part of their trade expansion strategies.
- > Strengthen Invest Victoria's focus on and engagement with regional Victoria.

## GROW REGIONAL TOURISM AND EVENTS

- > Fund a \$1 million grant program to boost customer service training in Victoria's regional tourism and hospitality industry. This funding would complement professional development programs like ATAP and help regional tourism and venue operators meet increased demand and strengthen their customer experience, language and cultural awareness skills.
- > Support the implementation of the Shipwreck Coast Masterplan.
- > Fast track the implementation of the Victorian Wine Strategy to drive growth in food and wine tourism and ensure Victorian agribusiness leverages its clean, green, high quality reputation on the world stage.
- > Maintain real funding levels to attract business events and conferences aligned to Victoria's priority sectors and ensure Victoria's regions benefit from events attraction and promotion.
- > Attract investment and develop new signature/hero tourism products to drive additional demand and expenditure across Victoria's regions.
- > Boost funding to maintain existing regional state-owned tourism infrastructure assets.
- > Invest in a range of high quality, high yield tourism products and services that meet the needs and expectations of key international visitor growth markets, including the priority areas of food and wine, spa and wellness, accommodation, and nature-based tourism.



# SPECIFIC PRIORITIES FOR VICTORIA'S REGIONS

## BALLARAT REGION

- > Fast-track the Ballarat Station Precinct redevelopment.
- > Complete the Ballarat Link Road (Stage 1B – Construction of the Rail Overpass of the Ballarat-Ararat railway and a new roundtable at the intersection of Ballarat Link Road/re-aligned Blind Creek Road).
- > Progress key priorities under the Central Highlands Regional Partnership:
  - > Complete Stage 2 of the Ballarat Line Upgrade.
  - > Fund the Connecting Regional Communities Program to support broadband trials, digital agricultural applications and minimise blackspots.

## BENDIGO REGION

- > Fund Stage three of the Bendigo Airport redevelopment to deliver a contemporary business park to allow for existing businesses to expand and new businesses to be established. This will capitalise on the stage one and two investments in a new runway and associated ground infrastructure.
- > Progress the development of the Marong Business Park.
- > Complete the construction of the Greater Bendigo Indoor Aquatic and Wellbeing Centre.
- > Progress the planning for the Greater Bendigo Public Space Project to support a more liveable environment for the community, preserve space for natural areas and wildlife, and promote tourism.

## GEELONG REGION

- > Upgrade freight connections from the Geelong Ring Road to the Port of Geelong.
- > Fast-track the progression of the Avalon Airport Master Plan which proposes upgrading Avalon's domestic terminal to be used by international flights, constructing new terminals, extending the runway, and building a rail link into the airport.
- > Progress the development of the Moolap site and the planning for the Point Henry redevelopment.
- > Ensure Stage 2 of the development of the Geelong Performing Arts Centre is completed on time and on budget.

## GIPPSLAND REGION

- > Finalise a site for a new airport in Melbourne's southeast, maximising opportunities for private sector investment. Leverage the experience of the Brisbane West Wellcamp Airport in facilitating agribusiness exports.
- > Complete the duplication of the Princes Highway between Traralgon and Sale and fund the Traralgon Bypass.
- > Progress to Stage 2 of the Macalister Irrigation District modernisation program.
- > Complete commuter amenity upgrades at Traralgon, Morwell, Moe and Trafalgar stations under the Gippsland Rail Corridor Station Upgrade Program.

## GREAT SOUTH COAST REGION

- > Support the implementation of the Shipwreck Coast Masterplan.
- > Commence the Colac Bypass and the building of additional passing lanes between Warrnambool and Colac to enhance the efficiency of the Princess Highway which connects Warrnambool to Geelong and Melbourne.
- > Commence the Warrnambool Line Upgrade and the Surf Coast Rail Project.
- > Progress the funding of the development of the 12 Apostles walking and cycling trail, and support new accommodation investment to compliment agritourism opportunities in the region.
- > Commence Stage 2 redevelopment of the Warrnambool Base Hospital.

## HUME REGION\*

- > Fund the Shepparton Bypass.
- > Progress a rail freight link to the Goulbourn Valley Freight and Logistics Centre (GV Link) in Shepparton.
- > Commence the Wodonga CBD Revitalisation Project.
- > Progress the Rutherglen Bypass on the Murray Valley Highway.
- > Progress the Murray Darling Basin Amendment Plan.
- > Improve water and telecommunications (ICT) infrastructure.

\*Wodonga and Shepparton

## MILDURA REGION

- > Commence the second stage of the Murray Basin Rail Project to improve Victoria's freight network and provide the region with more efficient rail freight services and activities.
- > Fund the Mildura Passenger Rail Services running between Mildura and Melbourne.
- > Fund Stage 2 of the Mildura Riverfront Precinct Redevelopment.
- > Commence the Loddon South West Pipeline and Mitiamo Pipeline to enable the diversification of agricultural enterprise.
- > Progress the Redevelopment of Benetook Avenue as a truck bypass route.







Written and authorised by the  
Victorian Chamber of Commerce and Industry

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