



STATE ELECTION PLATFORM 2022



**GIVE
WAY**

Rural Councils Victoria

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Introduction

Since the 2018 state election, enormous changes have taken place in rural Victoria.

In 2019 and early 2020 parts of rural Victoria were ravaged by bushfires. This was swiftly followed by the COVID-19 emergency. Today, the impact of the global pandemic on our communities cannot be overstated.

Many of our communities are experiencing population growth, as families move to rural Victoria from Melbourne and Victoria's major regional cities. This is a welcome development. RCV had advocated for the State Government to introduce greater population attraction and retention strategies for some time.

However, the population influx has highlighted underlying issues that have long been on RCV's advocacy agenda:

- The urgent need to upgrade and maintain much of the dilapidated rural roads network
- Greater funding for the fair provision of services for rural communities
- More housing in rural Victoria to meet increasing local demand for workers
- Greater emergency management and natural disaster preparation and mitigation funding
- Support for rural tourism businesses, and
- Ongoing funding for RCV so the organisation can continue its essential work

RCV calls on the incoming state government to take action across these essential economic, services and community support areas, so that rural communities remain sustainable, liveable and prosperous.



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Roads

Key asks:

Reinstate the Fixing Country Roads program – \$200 million over four years.

A \$200 million per year additional commitment over four years for Regional Roads Victoria to implement an ongoing upgrade and maintenance program for the RRV network across rural Victoria.

\$10 million per year over four years for roadside vegetation management and weed control on arterial roads.

With small ratepayer populations, limited sources of revenue and responsibility for thousands of kilometres of roads, rural councils struggle to maintain the key road links that keep Australia's produce and resource economy going.

For rural councils, the gap between revenue and infrastructure expenditure is growing.

Councils – such as West Wimmera Shire on the South Australian border, which has just over 4,500 people and manages nearly 3,000km of roads – are facing an insurmountable challenge of maintaining an extensive road network on shoestring budgets.

There is currently no state-funded rural roads improvement program available to councils.

In 2021, RCV commissioned an evaluation of the last dedicated State level rural roads funding program – the \$100 million Fixing Country Roads initiative – and found that the program was assessed as economically justified with an overall estimated benefit-cost ratio of 1.9.

The condition of much of the road network maintained by Rural Roads Victoria across RCV member councils is also in very poor condition.

Drivers in rural Victoria are more than four times more likely to die on the roads because unmaintained country roads are dangerous.

Rural economies need roads

Regional Victoria produces a third of the state's exports, and the regional road network is the link holding these economies together.

When rural road links break down, so do rural businesses, adding thousands of dollars in fleet maintenance and overheads.

This is money that businesses could have reinvested, including expanding their workforces.

Increasing state government investment in critical road links will allow producers to reduce unnecessary overheads, improve freight efficiency, and support the tens of thousands of export jobs rural Australians rely on.

Bad roads cost lives

It shouldn't cost people their lives to live in rural Victoria.

Despite our smaller population, more than half of all Victoria's road fatalities occur in rural and regional areas. Regional people are over four times more likely to die on their roads than those living in capital cities.

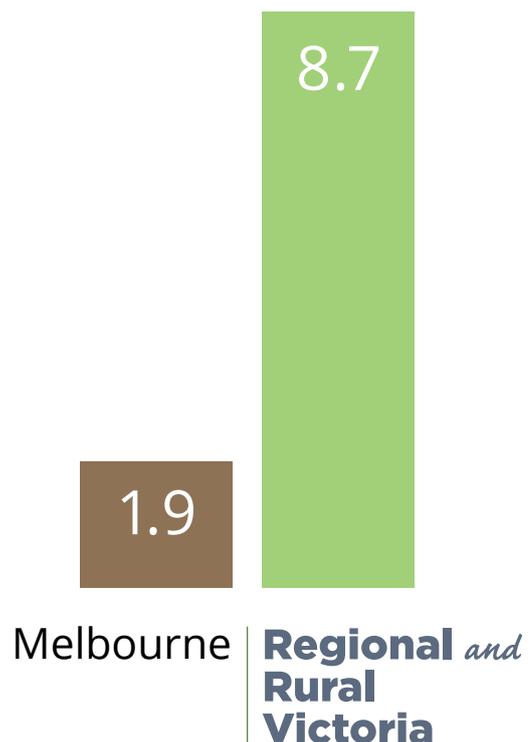
Pre-pandemic this ratio was getting worse. Rural and regional fatalities had risen dramatically, with 20 more Victorians dying on our roads in the year to March 2017 than in the year before – well above the five-year average.

Of the 15 local government areas with the highest five-year average fatalities, 11 are fully or partially in rural and regional Victoria, and this measure doesn't even account for population.

Unmaintained roads are dangerous roads, and the continued decline of road quality in rural Victoria is putting families at risk.



Road fatality location per 100,000 population



Funding for services

Key ask:

A \$50-million-a-year multi-year Community Services Fund for rural councils (similar to the infrastructure-based Growing Suburbs Fund available to peri-urban and growth councils), so rural councils can maintain and deliver essential services to residents.

Rural councils need greater funding for provision of services across large geographic areas.

Over recent years, there has been increasing cost shifting for services to local government, while the financial resources of small rural councils steadily erodes.

We call on the incoming Government to adequately and appropriately finance rural councils to meet the demand from their communities for fundamental services such as:

■ **Building and Environment services**
Building Surveyors and Environmental Health Officers are crucial to the functioning of rural Victorian communities. Rural Councils need government support to provide these essential services.

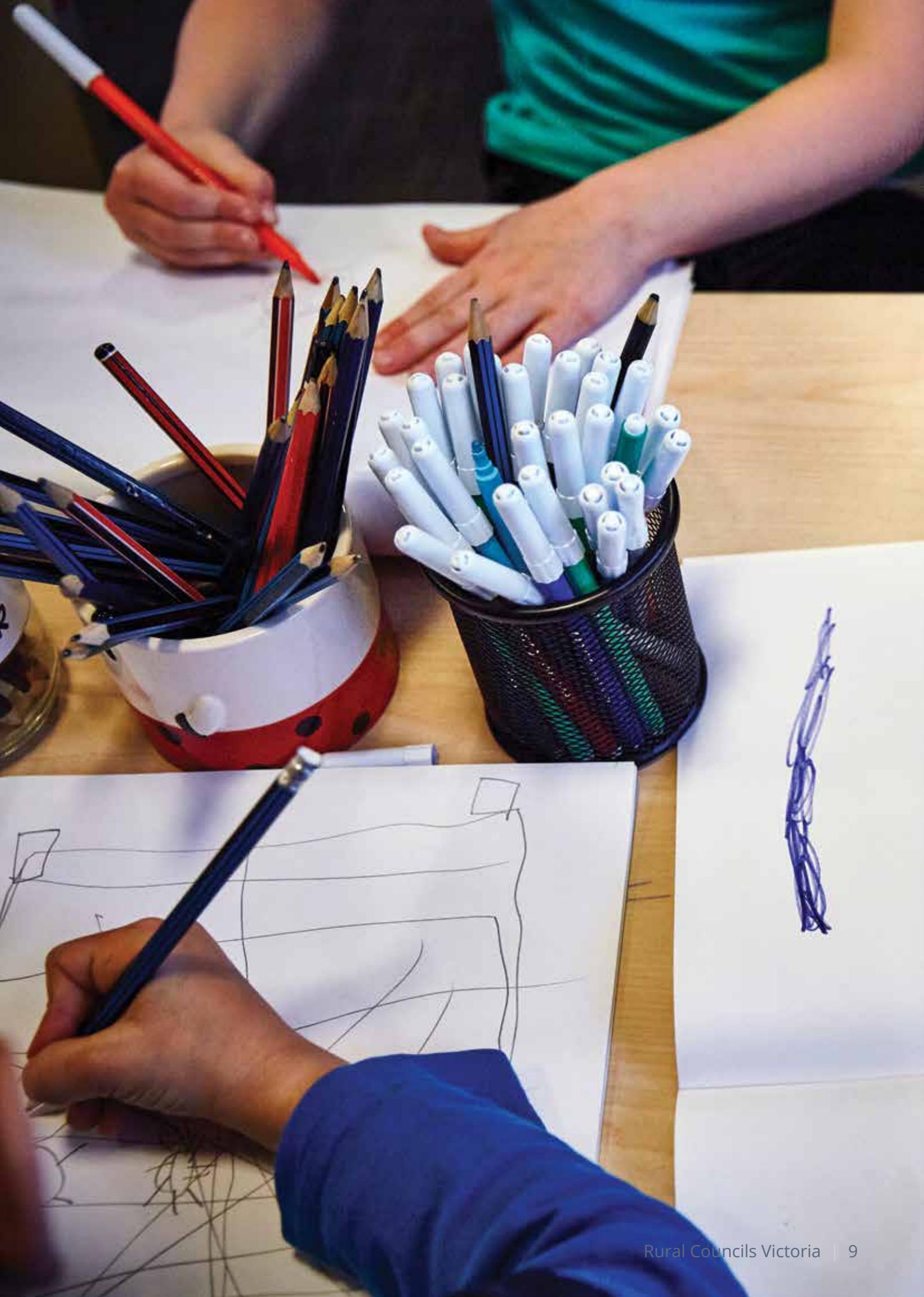
■ **Libraries**
Libraries are a resource for early and lifelong learning, child and adult literacy,

online access to government services, and business and entrepreneurial skills development.

These resources are particularly important in Victoria's rural communities where internet access is often slow and where there is a lack of community resources.

■ **Kindergartens**
At this point, rural councils have been overlooked for funding the 'co-design' model of kindergarten, schools and sporting facilities that growth and metropolitan and regional city councils enjoy. Rural parents of pre-school children also face barriers in terms of inclusion in the compulsory kindergarten program.

■ **Recycling**
Rural councils need assistance in upgrading their existing waste management facilities and systems to meet the requirements of the Government's Circular Economy reform agenda.



Housing

Key asks:

An expansion of the Big Housing Build funding to dedicate \$1.25 billion for housing construction projects specifically for rural Victoria.

A Windfall Gains Tax revenue sharing model where 10 per cent of state collections would be returned to rural communities in the form of housing supply assistance, reflecting rural Victoria's share of the state's population or Windfall Gains Tax reductions for rural areas.

Establish a Rural Worker Housing program of \$1 billion over four years to provide recurrent payments to entities that build, own and operate rental housing to mitigate skill shortages in rural Victoria.

Changes to the planning system to streamline rezoning processes for quicker approval for land development.

A grant program of \$50 million over four years to address higher infrastructure costs and infrastructure barriers.

\$1 billion
in lost productivity due to the housing shortfall in rural Victoria.

87,400
new homes needed in rural Victoria in the next 15 years.

5,800
new home starts per year needed to keep up with projected demand.

The latest ABS population data for 2020-21 shows RCV members councils' population increased by 8,587 people, or an annual growth rate of 1.1 per cent, compared to Melbourne's growth rate of 1.2 per cent, and 1.0 per cent for regional Victoria over the same period.

This influx has highlighted the desperate need for greater housing across rural Victoria.

RCV recently commissioned SGS Planning to research the rural housing market.

They found that 87,400 additional dwellings will be required in rural Victoria over the next 15 years and that the rural housing market is not well placed to meet the projected demand.



Rural areas face several housing supply challenges which typically do not apply in the metropolitan area or in larger regional centres, including:

- Rural areas are characterised by smaller developers
- Rural areas have much higher infrastructure costs
- Relatively few locations in rural areas can support small scale multi-unit development of the type that would be ideal for transitory and seasonal key worker housing, as well as long term residents looking to 'age in place'.

The economic consequences of not taking action are significant, with the rural Victoria estimated to forego between \$200 million and \$1 billion in Gross Regional Product (or between 0.5 and 2.7 per cent of total regional GRP) if housing supply shortages are not resolved.

While we welcome the Government's Big Housing Build's guaranteed minimum investment for regions of \$1.25 billion (just under 25 per cent of the Big Build \$5.3 billion funding package), most of this funding is going towards the major regional cities and growth councils.

Only four out of the 18 non-metro councils identified for the minimum investment guarantee are RCV rural member councils.

Emergency management

Key asks:

Greater funding for rural councils for preparation, mitigation and management of natural disasters and bio-hazards (e.g. foot and mouth, feral pests). Funding should include doubling the Municipal Emergency Response Plan to \$11 million with a larger share for councils at greater risk.

Greater collaboration with the Federal Government to implement the recommendations of the Royal Commission into National Natural Disaster Arrangements (2020) for an integrated approach between all three levels of government.

Local government and local communities be consulted and meaningfully involved in the development and implementation of a multi-disciplinary, decentralised approach for natural resource management policy to support the local management of natural resources in coastal and mountain areas.

It is critical to employ local strategic partnerships for the management of natural resources and the mitigation, preparation and management of natural disasters and bio-hazards.

Locals have the knowledge and resources to assist government agencies, such as CFA, DWELP and Parks Victoria.

Natural disasters and bio-hazards (e.g. foot and mouth, feral pests) directly impact rural Victorian economies and communities, where effects include:

- communities hit by fires and floods

- increased pressure on rural volunteer firefighters due to extended fire seasons and shortened preparation times
- extreme weather events that impact the most vulnerable
- negative economic impacts on agriculture and tourism, the most important industries to the rural economy

The January 2020 fires across Victoria were notable for their intensity and size. The role of local government was critical in the bushfire response.



As with many emerging rural emergency risks, RCV member councils acted as the key central coordinating agency, providing essential local support, local knowledge and access to community networks.

The Productivity Commission estimates that 97 per cent of disaster funding is spent on recovery, with just three per cent going towards mitigation, resilience and preparedness.

LGV's Councils and Emergencies Capability and Capacity Evaluation Report published just before the 2019-20 bushfires, found

low levels of emergency management preparedness for small rural councils, due to budget, resourcing and staffing constraints.

The January 2020 bushfires demonstrates the emergency management framework has a 'one size fits all' model and not all councils have the capacity to meet the staffing and resourcing levels it presumes.

RCV calls for the \$5.9 million Municipal Emergency Resourcing Program (MERP), which provides annual funding to councils for emergency management, be increased.

Support rural tourism

Key asks:

A dedicated rural tourism infrastructure fund for rural councils to apply for infrastructure-related upgrades to key tourist visitation sites.

77,900

People employed in regional tourism in 2019-20, a drop of 6.8% on the pre-pandemic year of 2018-19.

\$7.4 billion

Regional tourism's share of State Gross Regional Product in 2019-20, well down on pre-pandemic levels.

-21.3%

Decline in regional tourism's share of GRP, compared with -19.8% in Melbourne.

Tourism is a major industry in rural Victoria and has suffered major blows in recent years, including bushfires and the COVID emergency. International tourism remains slow, and tourism operators still require support to keep their operations going. According to the latest tourism data (Year ending December 2021):

- The value of Regional Victorian Tourism shrunk in the year to December 2021 by 21 per cent to \$7.4 billion
- The number of people employed in regional tourism fell by 10 per cent over the year to December 2021 to 98,400 people.

There are just over 26,000 tourism related business based in regional Victoria, or 28 per cent of the state total, and they continue to need support in the post-COVID environment. Tourism-related infrastructure (car parking, signage, restrooms) across rural Victoria lags behind regional cities and metropolitan Melbourne and this is hampering the capacity of rural tourism-related businesses to meet demand for greater visitation.

Source: ABS



Ongoing funding for RCV

Key ask:

A multi year funding agreement (\$500,000 per annum over four years) for Rural Councils Victoria.

Rural Councils Victoria is the peak body representing Victoria's rural councils, supporting and promoting sustainable, liveable, prosperous rural communities.

Since 2016, RCV has funded key projects and programs aimed at

- attracting investment, improving liveability and wellbeing, and strengthening innovation and resilience of local communities and businesses.
- increasing collaboration between rural councils in delivery of economic and community development activities.

- allowing rural councils to better position themselves in pursuing economic and community growth opportunities.

RCV has repeatedly proven itself to be a reliable partner to government, managing grant programs, delivering value to rural councils and their communities and with being a trusted source of information to state government ministers and their departments.

In order to continue this essential support, RCV needs an ongoing funding commitment from the state government.

SUPPORT
LOCAL
BUSINESSES

BARCODE



Who we are

Rural Councils Victoria (RCV) represents Victoria's rural councils. We believe that liveable, sustainable and prosperous rural communities are fundamental to the ongoing success of Victoria.

Representing the one in nine Victorians who live in rural communities, RCV has 35 member councils right across the state.

Victoria's rural councils are responsible for 79 per cent of Victoria's land area, and have a combined population of approximately 745,000 people (ABS).

Our rural areas and communities are critical to the liveability of Victoria. They are also key to a thriving Victorian and Australian economy.

RCV was established in 2005 to coordinate the network of rural councils across Victoria in their efforts to better understand, articulate and address the issues affecting rural communities.

Today, RCV is the peak body representing and advocating for Victoria's rural councils and rural communities.

RCV commissions in-depth research so that residents and governments can better understand the challenges we face and what actions are needed.

A great example is the RCV's *Rural Victoria Housing Blueprint* report, which identified a need for more than 87,000 new dwellings in rural Victoria in the next 15 years.

We continue to work closely with Municipal Association of Victoria (MAV), RDV, Local Government Victoria (LGV) and other state and federal agencies as we deliver our program of work.

Our Committee

The RCV Committee is comprised of both a Councillor and CEO representative from each of the six MAV rural regions.

- Cr Mary-Ann Brown (Chair)
Councillor, Southern Grampians Shire Council
- Cr Jane Ogden (Deputy Chair)
Deputy Mayor, Gannawarra Shire Council
- Cr Sonia Buckley
Councillor, East Gippsland Shire Council
- Cr Rob Gersch
Councillor, Hindmarsh Shire Council
- Cr Robert Vance
Councillor, Pyrenees Shire Council
- Cr Laura Binks
Mayor, Strathbogie Shire
- Dom Testoni
CEO, Benalla Rural City Council
- Darren Fuzzard
CEO, Mount Alexander Shire Council
- Tammy Smith
CEO, Yarriambiack Shire Council
- Eric Braslis
CEO, Golden Plains Shire Council
- Andrew Mason (Treasurer)
CEO, Corangamite Shire Council
- David Morcom
CEO, Wellington Shire Council





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