



The Hon Josh Frydenberg  
Treasurer  
PO Box 6022  
House of Representatives  
Parliament House  
Canberra ACT 2600

Via email: [josh.frydenberg.mp@aph.gov.au](mailto:josh.frydenberg.mp@aph.gov.au)

20 August 2020

Dear Treasurer,

**Re: Submission to the 2020-21 Federal Budget**

I would first like to congratulate you and the Prime Minister on your leadership throughout the COVID-19 pandemic crisis. In particular, the Federal Government's early provision of financial support for local governments via the bringing forward of \$1.3 billion in 2020-21 Financial Assistance Grants funding, and the announcement of the \$500 million Local Road and Community Infrastructure Program, have been greatly appreciated by all members of Regional Cities Victoria (RCV).

RCV is a regional leadership group dedicated to building a sustainable Victoria by providing strategic advice, coordination and advocacy to state and federal governments, that will facilitate the sustainable growth and future prosperity of Victoria's regional centres.

Comprising Mayors and CEOs of the 10 largest cities in regional Victoria – Ballarat, Bendigo, Geelong, Horsham, Latrobe, Mildura, Shepparton, Wangaratta, Warrnambool and Wodonga - RCV is now focused on policies that will support regional Victoria through both the response and recovery phases of the COVID-19 crisis.

Regional cities continue to work tirelessly to ensure the health and safety of their communities, as well as maintaining delivery of services, all the while adapting to the social distancing measures and restrictions of movement that have been mandated by federal and state governments.

As councils we have each introduced a range of measures to help reduce the financial burden to our communities, by waiving fees on a range of permits and registrations, or offering free parking; while also increasing our support for delivery of services such as FoodShare and Meals-on-Wheels, and offering business support grants.

Notwithstanding the funding provided to local government in May, with Victoria now experiencing further lockdowns as a result of new outbreaks, regional communities will need additional support. Specifically, RCV recommends:

1. **Ongoing investment in the Financial Assistance Grants program**, with increases in the forward estimates, so that its value is not diminished in real terms over the coming years.



2. Urgent and increased **funding to close the digital divide in regional Victoria** and ensure that regional communities are not disadvantaged. Regional businesses and students have adapted quickly to working remotely and learning online; they must be able to access fast and reliable internet and mobile telecommunications networks, especially if this mode of conducting business and education is to continue for any period of time, or indeed become the new normal.
3. Funding for a **Regional Recovery Package** for two distinct streams:
  - a. **Infrastructure Stream** – aimed at projects that will create local employment, stimulate local businesses through a high proportion of local content, and boost local amenity.
  - b. **Community Services Stream** – aimed at boosting funding for council-operated services such as childcare and Maternal Child Health service. This stream addresses shortfalls experienced in these areas by all local governments, which were not covered by the other support measures such as the JobKeeper program or the childcare support packages. These services and programs are essential to local communities. Additional funding would bolster resources and support continuity of service delivery.

The funding for the Regional Recovery Package should be provided direct to local governments, for allocation at their discretion, to ensure funds are directed to the infrastructure projects or community services that will deliver the greatest community benefit.

We believe that these three measures will provide regional communities with much-needed digital and mobile infrastructure; and regional local government with the financial support necessary to help their communities throughout a prolonged recovery period. Importantly councils will be able to direct spending where they know it will deliver the most benefit in their communities.

If you have any queries, I can be contacted on 0427 019 900. I would welcome the opportunity to discuss these recommendations with you in more detail.

Thank you for your consideration.

Yours sincerely,

Cr Margaret O'Rourke  
Chair  
Regional Cities Victoria