Sue Robertson - Shepparton Office 79a Wyndham Street

SHEPPARTON VIC 3632

Dear Ms Robertson

# Response to letter from Hon Jaala Pulford MP

Re: Review of DEDJTR's Regional Service Delivery Model and Strategic Directions for Regional Policy

I refer to your department's letter of 25 February 2015 regarding the above.

Goulburn Murray Water (GMW) is delighted to have the opportunity to contribute suggestions as your team commences a review into its Regional Service Delivery Model and the development of Strategic Directions for Regional Policy for Victoria. In the event your department would like a GMW representative to sit on the advisory board, I would be happy to provide nominations.

Over the past 3 years, GMW has executed and implemented a thorough strategic review of our business's operating model, and our business is now aligned with the delivery of 3 fundamental commitments, these being:

1. Partnering with our customers
2. Creating the opportunity to increase production in Northern Victoria over the next 20 years
3. A high performing organisation

Our response has been written in alignment with the Victorian Labor Platform 2014, which we believe articulates areas where we can partner together to deliver extraordinary results for all Victorians.

## Jobs and Growth

Supporting Victorian Industries

Labor has identified a need to support Victorian Industries, and GMW sees the opportunity for further collaboration between us to support the agriculture industry in a variety of means.

By supporting agriculture, investment increases as other industries such as food manufacturing, construction and tourism reap the rewards from this investment.

Current initiatives GMW has underway, and where we could consider further collaboration:

* Research partnership with Melbourne University on the water industry and agriculture
* Customer Relationship Consultant program, whereby GMW staff help support both new and established farmers in maximising their irrigation investment and water usage
* Customer Education Programs developed to assist irrigated agricultural customers in achieving the benefits of automation and modernisation. There is the opportunity to invest in an educational program which targets this audience. The program would also provide an opportunity to discuss and educate our customer base on water trade, carryover, effective entitlement management and developments in farming/technology.
* GMW Connections Project has seen an increase in the number of customers wishing to continue to operate viable farms and seeking connection to the backbone. For example opportunities to maximise the outcomes with other complementary programs will enable this important investment into agriculture to provide a greater benefit.

By further collaboration Victoria's position as Australia’s largest food and fibre exporting State will be maintained, employment in regional areas will rise and the State will continue to be viewed as a national leader in agriculture and investment in both the domestic and international markets.

## Innovation Opportunities

GMW agrees that innovation is a major driving force for economic growth, productivity and competitiveness. There are boundless opportunities for us to continue to partner in developing and delivering innovation in the Water and Agriculture Industry through wise investment.

Some of the current areas we are examining where further collaboration would assist are the management of aging infrastructure and optimising and rationalising assets at a regional level (i.e. Local Government, GMW and other stakeholders). By partnering with State Government opportunities to implement regional strategy which bolsters investment in regional communities, meet future needs and increase regional productivity and economic output would provide greater benefit.

## Growing Rural and Regional Jobs and Economies

The agricultural industry is the second largest employment industry in Northern Victoria, following health care. Over the next 20 years, Agribusiness is also expected to be the next biggest wave of Australian industry growth. GMW and the services that we provide are a key component in growing rural and regional jobs and economies.

Whilst GMW is a significant regional employer through programs such as the GMW Connections Project, GMW must manage its overall business to drive positive outcomes for our customer and the Region. We are currently investing in key areas where partnership could drive better outcomes that GMW can manage on a standalone basis. This includes:

* Youth employment and our Kickstart Program (which encourages University Students to work with GMW)
* Trainee Programs
* Succession planning including risk mitigation of key technical roles

## Tourism and Major Events and Investment Attraction

## GMW's primary function is to operate water storages for water entitlement holders including irrigators, environment water holders and urban water authorities. In addition GMW current makes a significant investment in providing recreational activities. We currently do this through the development of our Land and On Water Management plans, which we collaborate with other key local stakeholders (local Government, Tourism groups) to develop.We recognise our storages are ideal for many recreational pursuits and we would welcome a co-ordinated approach from all stakeholders that would provide better recreational outcomes than on a stand-alone basis.

## Local spending means local jobs

GMW appreciates that local spending means local jobs, and we encourage this principle through our procurement process and strategy to source locally qualified contractors.

We recognise our business is a large regional employer, and contributes to the functioning of the local economy through the delivery of water to our rural customer base.

GMW would be keen to discuss our updated procurement strategy with Regional Development Victoria and avenues to continue to bolster local spending.

I would be pleased to discuss the opportunities raised above with you in further detail and for GMW to have a larger role in contributing to the review of the strategic directions for regional policy.

Yours sincerely

John Calleja

Interim Managing Director