



The Hon Anthony Albanese MP

Minister for Infrastructure,
Transport, Regional Development
and Local Government
Leader of the House

Statement

CERTAINTY AND FAIRNESS FOR COMMUNITY GROUPS MISLED BY FORMER GOVERNMENT

The Rudd Labor Government will provide certainty for up to 86 not-for-profit and local government projects, including the Shire of Yarra Ranges' Burrinja Cultural Centre application, which were granted approvals but did not have formal contracts under the previous government's Regional Partnerships program.

It is clear from our discussions with community groups and local councils that many were led to believe that funding agreements had been finalised with the previous government.

This has placed community groups in a difficult situation where many have spent their meagre resources to start work.

That is why the Government is taking a common sense approach in considering these projects.

Under the plan, the Government would give 86 not-for-profit and local government projects until 31 July 2008 to complete contract negotiations with my Department.

In addition, they will be required to meet strict timetables and requirements to begin construction. This is to ensure they are sustainable and genuine projects.

This approach will assist community groups and local councils that began work on projects based on false promises made by the former government.

The former government's approach was to promise all things to all people without putting in place proper processes which ensured projects were actually delivered.

The Rudd Government's common sense approach will give not-for-profit groups who were misled by the former government, the opportunity to complete their contracts.

We also recognise that under the new plan, not all of these projects will meet the requirements to become eligible to receive financial support.

In addition, 21 other projects that were also approved but not contracted by the former government are already being funded either as election commitments or through the Rural Medical Infrastructure Fund.

The remaining eight projects were commercial for-profit projects that were also approved but not contracted by the former government, however they will not be considered under the Rudd Government's common sense plan.

From next year, there will be a new fund – the Regional and Local Community Infrastructure Program – to invest in community projects through a proper, accountable process.

The House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, is conducting a public inquiry, with the assistance of Independent MP, Tony Windsor, on the structure of the new program.

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