



BAW BAW SHIRE COUNCIL

Advocacy Priorities.

2026



Acknowledgement of **Traditional Custodians.**

**Council acknowledges the Traditional Custodians
and their ongoing connection to the land and
waters that make up Baw Baw Shire.**

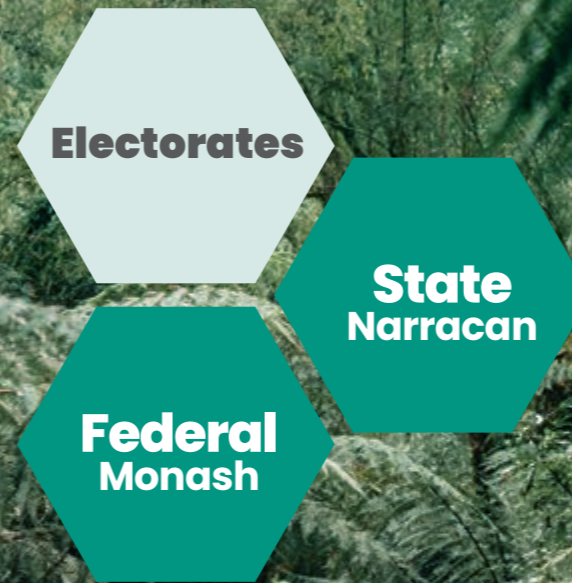
We pay our respects to their Elders: past, present,
and emerging. We thank the Traditional Custodians
for caring for Country and continuing the customs that
maintain the longest practised culture in the world.



About Baw Baw.

Baw Baw Shire is one of Victoria's fastest growing regional municipalities. Located 100 kilometres east of Melbourne, the Shire offers an attractive mix of rural and urban living with affordable housing, scenic views, and relaxed lifestyle.

Baw Baw Shire covers approximately 4,027 square kilometres of high-quality farmland, national parks, and residential areas. The northern half of the Shire is heavily forested and lies in the Great Dividing Range, while the south is borders the Strzelecki Ranges. The Shire's largest towns are located along the road and rail corridor which provides direct and easy access into the suburbs of Melbourne.





About Baw Baw.



1,770km
of local roads
to maintain

524.2km
of Council owned
paths & trails

2,400
hectares of land
rezoned to Urban
Growth Zone



19,992
proposed housing
lots across Drouin &
Warragul

\$9 of assets
under management
for every \$1 revenue

760 hectares
of public open space
to maintain

24.4%
of households are low
income (<\$800 per
week)

65,168

Population
2026

93,737

Forecasted
population
2046

23%

of Baw Baw Shire's labour
forces travels >50km to
work, compared to 6.33%
for Victoria



28 of the Shire's
76 population
localities have
populations
of < 100

There will be a **68%**
increase in 3-4 year olds
living in Baw Baw Shire
by 2036

The median
age is **41**

years old,
compared with
38 for Victoria



Since 2012, the Shire has added
an average of 1,450 new
residents per annum. Over the
next 20 years Baw Baw Shire's
population is expected to grow
by nearly 50%

Population growth between
2021 - 2022:

- Drouin: 4.11%
- Warragul: 2.68%

During the same time,
regional Victoria grew by
only 1.07%

In 2024, Baw Baw Shire's
Tourism Output was
estimated at **\$219.5M**

61% of Baw Baw Shire's
population live within its
two major localities, covering
only 2.67% of its total land
area:

- Drouin: 19,856 (34.5%)
- Warragul: 15,287 (26.5%)

37%

of people live
with one or more
long term health
conditions,
compared to 31.4%
for Victoria

80,000

tonnes of vegetables
produced each year =
10% of Victorian supply

\$7.8 billion
economic output

\$3.82 billion
gross regional product

TOP 5 INDUSTRIES :
People Employed ['000]

Health Care & Social Assistance ...	5.1
Construction	4.0
Education & Training	3.1
Retail Trade	2.7
Agriculture, Forestry & Fishing	2.5



\$1.53 billion

Construction Sector
(19.6% total output)



Almost 24% of
children in the Shire are
vulnerable in one or more
childhood development
domains, compared to
19.9% for Victoria

200 Supported
Playgroup
Sessions

19 babies are
born in Baw
Baw each
week















238
families in Supported
Playgroups, with 290
children





Snapshot:

These are Council's most pressing Advocacy Priorities. They are large, long-term projects and areas of community need that align with the **Baw Baw Shire Council Plan 2025–2029** and reflect the Community Vision for a sustainable, healthy and thriving future.

 Intersection Upgrades	 Business Attraction	 Paths & Trails	 Sporting Infrastructure	 Financial Assistance	 Peri Urban Status	 Secondary Advocacy Priorities
						
Weebar Rd Roundabout, Drouin	Walhalla, Victorian Goldfields World Heritage Bid	Funding & Policy Reform	Sharing Public School Ovals & Sporting Facilities	Federal Financial Assistance Grants	Formal Recognition	
Burke and Howitt St, Traffic Lights, Warragul	FarmGate Tourism	Rokeby to Noojee Trail Stage Two	SRV Funding	Roads to Recovery Funding		
Princes Way & Wellwood Rd, Traffic Lights, Drouin	Business Start Up & Development Support		Funding for Detailed Recreation Planning			
	Reduce Barriers to Business		Trafalgar Second Oval			

1.

Intersection Upgrades.

Make a Difference:

Fund and prioritise the upgrade of critical intersections in one of Victoria's fastest-growing urban areas.

1.

Intersection Upgrades.

BURKE AND HOWITT STREET, WARRAGUL AND PRINCES WAY AND WELLWOOD ROAD, DROUIN



THE ASK:

- State Government to progress the traffic light installations for the intersections, as proposed in the Draft Functional Layout Plans developed by DTP and requested by the community.

THE PLAN: Baw Baw's booming population is placing unprecedented pressure on our transport network. Both intersections present a high risk of accidents and can no longer safely accommodate the current traffic volume or modern heavy vehicle movements. Without urgent intervention, these intersections will continue to:

- Compromise road user and pedestrian safety
- Cause bottlenecks that restrict access to jobs, education, and recreation
- Limit industrial and commercial growth
- Delay freight movements and reduce productivity
- Constrain access to key growth areas.

Council supports the Draft Functional Layout Plans developed by DTP for the Howitt and Burke Street intersection, which propose the installation of traffic lights. Council is now seeking action to progress this upgrade.

The Draft Functional Layout Plans for the Princes Way and Wellwood Road intersection propose a roundabout, however the local community has requested traffic lights instead. Council calls on the State Government and DTP to engage with local community and deliver an upgrade for this intersection that reflects local needs and priorities.

THE BENEFIT: Installing lights at the Princes Way and Wellwood Road intersection would:

- Reduce the amount of land required for acquisition
- Preserve several significant trees
- Deliver enhanced pedestrian safety benefits not provided by a roundabout.

These upgrades are critical to ensuring that Baw Baw residents can travel safely and efficiently to access employment, education, and recreation, and to support local industries and commercial development.

WEEBAR ROAD, DROUIN



\$4.4 MILLION
INVESTMENT NEEDED

THE ASK:

- \$4,367,829 to assist in funding the construction of Weebar Road Roundabout.

THE PLAN: In response to forecast growth, Baw Baw Shire Council prepared Precinct Structure Plans (PSPs) for Drouin and Warragul to provide strategic direction for appropriate planning. These were approved by the Victorian Minister for Planning in 2014.

Over ten years on from their approval, Baw Baw Shire Council is confronting underfunded Development Contribution Plans (DCPs) as construction costs substantially exceed the indexed costs in the DCPs. While DCPs remain an important tool to fund infrastructure, there is often the need to accelerate the construction of projects to unlock the next stages of development. There is simply not enough DCP funding available to 'forward fund' crucial infrastructure, leaving councils with the need to seek alternative funding to ensure development continues.

As Baw Baw Shire Council works through resolving these issues through existing processes, including the legislated review of Drouin and Warragul's PSPs, several developments have reached a stalemate.

The most critical of these is the four-way roundabout at Weebar Road in Drouin. The roundabout is a PSP condition of three housing developments to the south of Drouin. Until the roundabout is built the associated subdivisions are currently stalled.

Although the construction of PSP projects traditionally sits with developers, to be funded via DCPs, Council has the capacity to deliver this project instead, should sufficient funding be made available.

THE BENEFIT: Providing \$4,367,829 to assist in funding the construction of Weebar Road Roundabout would:

- Unlock the early delivery of an additional 2,521 homes in alignment with state and federal housing targets
- Provide greater safety, efficient traffic movement and improved connection to Drouin's Town Centre, Train Station and Drouin Secondary College
- Trigger the delivery of a new primary school in the catchment area
- Incentivise the early delivery of supporting infrastructure and services including a neighbourhood centre, community centre and new public open spaces essential to foster the wellbeing of a growing population centre.

2.

Business Attraction.

Make a Difference:

The following Business Attraction projects are priorities for Baw Baw Shire that can be delivered over the next three to four years with external support.

2.

Business Attraction.



Local Context

Baw Baw Shire's economy is primarily driven by agriculture, forestry and timber production, tourism, manufacturing, and construction.

Baw Baw Shire Council recognises that a strong, diverse, and resilient local economy is essential to the Shire's long-term prosperity, so places Business Attraction at the centre of its economic agenda. Baw Baw aims to increase investment, job creation, and sustainable growth across urban, rural, and tourism precincts.

Targeted and practical projects that leverage Baw Baw Shire's strategic location, natural assets, and growing population are a cornerstone of Baw Baw's Business Attraction plans. One example is the Longwarry Logistics and Employment Hub, with which Council aims to stimulate substantial private investment and create a new employment engine for the region.

Agriculture and agribusiness also remain central to the Shire's economic identity, with Council actively encouraging new farm gate attractions and value-adding enterprises that strengthen the connection between producers and visitors while boosting local incomes.

Tourism and recreation form another pillar of the Business Attraction agenda. These investments not only drive visitation and spending in townships, but also support small businesses such as accommodation providers, cafés, and tour operators.

Beyond major projects, Council seeks a broad suite of actions aimed at strengthening the overall business environment in Baw Baw Shire and across Victoria, such as advocating for improved regulatory processes and critical infrastructure.

THE ASK:

Commit to greater investment in regional business, tourism, and recreation projects to support local economic development.

Commit to reducing barriers to business development.

Make a Difference:

The following Business Attraction projects are priorities for Baw Baw Shire that can be delivered over the next three to four years with external support.

WALHALLA

VICTORIAN GOLDFIELDS

World Heritage Bid



THE ASK:

- Contribute funding to upgrade infrastructure and public amenities to support increased tourism in Walhalla.
- Support and partner with Baw Baw Shire Council to attract businesses and investment to Walhalla.

THE PLAN: The tiny gold mining village of Walhalla, located in the north east of Baw Baw Shire, is amongst 15 sites across Victoria that have been selected to secure a tentative World Heritage listing. This is the first formal step toward UNESCO World Heritage status for the state's gold rush landscapes.

Government and private investment and partnerships are vital to ensure supporting transport, public amenities, accommodation, and visitor infrastructure are upgraded and expanded to support the substantial rise in tourism that World Heritage status will trigger - economic modelling forecasts that a Victorian Goldfields World Heritage site could attract 2.5 million new visitors over ten years.

THE BENEFIT: The prestige of World Heritage status will see Walhalla receive global recognition, boosting awareness and strengthening the region's appeal as one of Gippsland's premiere tourist destinations.

This increased recognition and visitation will drive job creation, boost the regional economy, and generate income and opportunities for local communities.

For more information visit
bawbawshire.co/Walhalla



FARM GATE

TOURISM



THE ASK:

- Amend legislation regarding farm gate tourism requirements in order to make it a viable industry for rural and regional Victorian farms.

THE PLAN: The current requirements to set up farm gate tourism in Victoria are prohibitive for most farms. NSW has recently made changes to farm use to enable farm gate tourism, which is already having a positive effect. Similar changes would enable those opportunities in Victoria.

THE BENEFIT: Enabling more Victorian farms to engage in value-adding farm gate tourism will strengthen the connection between producers and visitors while boosting local incomes. This will allow smaller farms to remain viable and therefore remain in the farming business.

For more information visit
bawbawshire.co/Tourism



BUSINESS

START-UPS & Development Support



THE ASK:

- Provide funding streams specifically for start-up businesses
- Provide opportunities for small and medium sized businesses, particularly ones in rural and regional Victoria, to learn more about global export and to gain introductions to global export support services.

THE PLAN: High start-up costs are one of the major barriers to the creation of new independent small businesses, particularly for vulnerable and under-represented groups such as young people and new migrants. While there are a range of business grants available, the majority of these are for pre-existing businesses, rather than for assisting the development of brand-new businesses. Additionally, smaller businesses are less likely to have the knowledge or contacts to properly look into opportunities for accessing the global export market.

THE BENEFIT: With targeted funding for start-ups, more local businesses will be able to set up and thrive. Supporting a vibrant local small business sector is known to have a positive effect on local spending and significant flow-on benefits to local communities in terms of economic and social participation.

For more information visit
bawbawshire.co/StartUps



REDUCE

BARRIERS TO BUSINESS



THE ASK:

- Reform and streamline regulatory requirements and reduce costs for small businesses.

THE PLAN: Recent data from the Business Council of Australia ranks Victoria as the least favourable state in Australia for starting, operating, and growing a business. The regulatory and compliance load from licensing requirements, planning approvals, environmental obligations, etc., often takes longer to process than in other states, slowing down projects and adding significantly to administrative costs. Small local businesses in particular are hit hard by this unfriendly business environment.

THE BENEFIT: Reducing regulatory burden and supporting small independent businesses will encourage entrepreneurial activity, support business continuity through economic downturns, and increase participation from groups often deterred by regulatory complexity, compliance hurdles, and high start-up costs, such as young entrepreneurs, new migrants, and sole traders. Widely cited international research shows that, for locally owned independent businesses, on average approximately 48% of each dollar spent is re-circulated within the local economy - compared to less than 14% for chain stores.

For more information visit
bawbawshire.co/Business



3.

Paths & Trails.

ROKEBY TO NEERIM TRAIL

Make a Difference:

Paths and trails infrastructure provide a myriad of benefits to communities, ranging from social and recreational through to economic.

3.

Paths & Trails.



**ROKEBY TO
NEERIM TRAIL.**

THE ASK:

Make available more funding streams that assist in investing in paths and trails infrastructure.

Commit up to \$7 million to assist in funding the planning, development, and construction of Stage Two of the Rokeby to Noojee Trail.

Local Context

Paths and trails infrastructure provide a myriad of benefits to communities, ranging from social and recreational through to economic.

Studies in the US have proven that a comprehensive network of paths and trails which links into the rest of a region's transport infrastructure contributes millions of dollars annually to local economies through encouraging patronage at nearby businesses, increased tourism, lower transportation costs, increased employment, and lower healthcare costs.

At a time when the ABS estimates that only 22.4% of Australian adults meet physical activity guidelines, combined with rising cost of living pressure and the push to lower carbon emissions, investing in paths and trails infrastructure is an investment in lower-cost and lower-carbon transport options that also encourage increased physical activity.

Baw Baw Shire envisions the development of a comprehensive paths and trails network that is both across the Shire and connects to networks in neighbouring Shires. This network will both attract cyclists, walkers, and nature-based tourists from across and beyond Victoria as well as enhance the liveability and health of Shire residents and enable both visitors and Shire residents to pro-actively appreciate the local environment that Baw Baw has to offer.

The planned network encompasses a range of initiatives such as Stage Two of the Rokeby to Noojee Trail, the Warragul Watershed Trail, and the Rawson Crater Lake to Erica-Thomson Rail Trail Link.

Stage One of the Rokeby to Noojee Trail is complete, and extending the Trail to the Noojee Heritage Railway Station Precinct would unlock further regional benefits and support innovation and diversification tied to industry transition from native timber harvesting.

The project offers opportunities to connect to other significant regional trails, including the Warburton-Walhalla Trail, positioning Noojee as a key tourism destination.

Council is calling for more funding streams that assist councils across Australia to invest in their communities' health, wellbeing and liveability by expanding their paths and trails networks.

3A.

STAGE TWO

Rokeby to Noojee Trail.

Extending the Trail to the Noojee Heritage Railway Station Precinct will unlock further regional benefits and support innovation and diversification as the region transitions beyond native timber harvesting.

\$6-7 MILLION
INVESTMENT NEEDED

Project Scope:

Stage One of the Rokeby to Noojee Trail – the Rokeby to Neerim Trail – officially opened August 2025. The \$4 million project, jointly funded by Council and the Victorian Government, saw major improvements to the existing historical trail between Rokeby and Crossover, and extended the trail to Apex Park Lookout in Neerim South.

Baw Baw Shire now seeks to plan, develop, and construct Stage Two of the Rokeby to Noojee Trail – the Neerim to Noojee extension, a new 12–13 km shared-use trail extending from Neerim to Noojee, completing the Rokeby–Noojee Trail corridor.

This final stage will deliver a fully off-road path for walkers and cyclists through scenic rural and forested terrain, linking into the existing trail over the Noojee Trestle Bridge – the tallest remaining wooden railway bridge in Victoria – and continuing into the historic township of Noojee.

Phase:

Functional design is underway to confirm the preferred alignment from Neerim North Road. Approvals and final planning to come in 2026, with construction commencement in 2027 subject to funding.

Community Benefit:

Extending the trail to the Noojee Heritage Railway Station Precinct will unlock further regional benefits and support innovation and diversification as the region transitions beyond native timber harvesting.

The completion of the full Rokeby to Noojee Trail will provide safe, accessible, high-quality trail infrastructure and boost liveability, tourism, and health outcomes in the Gippsland region by supporting nature-based tourism, enhancing transport connectivity between rural townships, and promoting healthy, active lifestyles.

By promoting and supporting nature-based tourism, it will also strengthen the economic resilience of a rural area dealing with the challenges of transition away from the forestry industry.

4.

Sporting Infrastructure.

How can you support our community?

Baw Baw Shire backs the following range of sports infrastructure funding and policy initiatives that will support the necessary sports infrastructure required for our growing community.



SHARING PUBLIC SCHOOL OVALS and Sporting Facilities



THE ASK:

- The Victorian government to allocate funding to incentivise public schools to share access to ovals and sporting facilities outside of school hours by contributing toward upgrades, operational costs, maintenance, insurances, administration, etc.

THE BENEFIT: Unlocking the capacity of existing facilities outside school hours is more economically sustainable and much faster than building new ovals and sportsgrounds.

For a much smaller funding allocation than the cost of building new ovals and sporting facilities, the Victorian government could ease the demand for these facilities in rural and regional Victoria by enabling sharing arrangements between local public schools and their communities and sporting groups.

For more information visit
bawbawshire.co/SchoolOvals



SRV FUNDING RATIOS



THE ASK:

- The Victorian government to change the SRV funding ratios for high growth peri urban councils from 1:3 to a 1:4 ratio to enable investment in more sporting facilities to meet the demands of rapid population growth.

THE BENEFIT: High growth peri urban councils like Baw Baw are disadvantaged by the small starting size of their rates base and limited ability to raise revenue, while facing very high demand for new infrastructure and services. Changing the ratios to make the required Council co-contribution smaller would help Councils under the pressure of high population growth and high demand for new recreation facilities to stretch their infrastructure budgets further.

For more information visit
bawbawshire.co/SRVFunding



FUNDING FOR DETAILED RECREATION PLANNING



THE ASK:

- Baw Baw Shire asks that the Federal and Victorian governments commit to funding that allows Councils to undertake and prioritise detailed recreation planning and designs.

THE PLAN: Currently, State and Federal infrastructure funding cannot be secured without first having the feasibility studies, detailed plans, costings, etc. in place to support funding applications.

Baw Baw Shire proposes that funding be made available to allow councils to prepare 'shovel ready' detailed designs and costings for some of the 'big ticket' recreation projects that the community wants and needs but that Councils are not yet in a position to progress.

THE BENEFIT: This will put Councils in a better position to get projects shovel read, and thus funding ready, allowing more sport and recreation projects to move past concept stage and to achieve more timely community outcomes and potentially unlock residential land faster in alignment with state and federal housing targets.

For more information visit
bawbawshire.co/RecPlanning



TRAFALGAR SECOND OVAL



**\$6.76
MILLION
INVESTMENT NEEDED**

THE ASK:

- Construction of new natural turf AFL oval with appropriate drainage and irrigation, goal netting and synthetic cricket wicket.
- Oval construction and parking redevelopment \$6.76 million (Based on Opinion of Probable Construction Cost provided by SportEng).

THE BENEFIT: Baw Baw Shire has an identified shortfall in ovals. The second oval in Trafalgar will support AFL and cricket competition broadly across the Shire and increase future capacity.

Trafalgar's population has grown significantly increasing 42.8% during the decade between 2011 and the 2021 Census.

The project will support Trafalgar Football Netball Club, Trafalgar Junior Football Club, and Trafalgar Cricket Club to host more home games and expand participation in the future.

The addition of the new oval would enable the return of A grade cricket competition to Trafalgar and the full activation of the new Turra Pavilion, which is currently not utilised to full capacity as it was built to accommodate a second oval.

The oval will be built to AFL Preferred Facility Guidelines and Cricket Australia's Community Cricket Facility Guidelines' standards, giving clubs across Baw Baw Shire greater flexibility to host competition games and training

Baw Baw Shire Investment: Council has resolved to sell Trafalgar Business Centre; the proceeds of the sale will form Council's co-contribution to the project.

For more information visit
bawbawshire.co/Traf2ndOval



5.

Peri-Urban Regions.

Make a Difference:

To ensure Baw Baw Shire remains a healthy, vibrant, and sustainable community it is imperative that State and Commonwealth governments invest in supporting peri urban regions.

5.

Support for Fast Growing

Peri-Urban Regions.

Baw Baw Shire is advocating for greater investment and recognition of the complex pressures faced by peri urban councils.

Baw Baw Shire is Victoria's largest peri urban municipality and one of its fastest growing. Our Shire is experiencing rapid ongoing residential growth, especially in our two major towns, Drouin and Warragul. Our population is forecast to grow to almost 94,000 people by 2046, with almost 68,000 of those forecast to live in Drouin and Warragul.

In addition to Drouin and Warragul, Baw Baw Shire contains another 74 population localities, ranging in size from Trafalgar (4,337 people) to Amor (4 people).

Local Context

Our council is faced with the challenges of balancing rapid urban growth in Drouin and Warragul with maintaining an equitable level of service in our remote and rural communities.

At 4,028 km², Baw Baw Shire covers 48.9% more land area than the next largest Victorian peri-urban council. Distance, topography, high rainfall and poor connectivity increase the cost and resources required to equitably plan, provide, and maintain services and infrastructure.

Peri urban councils such as Baw Baw Shire are expected to deliver similar levels of service to metropolitan councils, but for a smaller base population across a far larger geographical area, while also planning and delivering large amounts of new infrastructure for current and forecast population growth as state and federal governments seek to accelerate housing development to meet future demand and address current market pressure.

This scenario is creating higher operational costs per ratepayer in peri urban regions, and federal underinvestment in these growth areas is leading to inequity.

To ensure Baw Baw Shire and other high growth peri urban councils remain healthy, vibrant, and sustainable communities that are able to properly support state and federal growth goals it is imperative that state and federal governments invest in supporting peri urban regions to properly:

- Manage and plan for new residential settlements
- Support economic activity and job creation
- Protect and enhance our local landscapes, natural resources and biological diversity.

Baw Baw Shire Council also supports the further exploration of two potential initiatives championed by Peri Urban Councils Victoria in the Peri Urban Future Fund Framework, June 2024, aimed at bolstering infrastructure delivery to service peri urban growth areas:

1.A 10-year rolling loan facility allowing councils to borrow against existing developer contributions plans (DCP) agreements to build trunk infrastructure to support housing development.

2.A capital grants fund to facilitate the delivery of necessary community and liveability infrastructure to support peri-urban communities as they grow.

Further details about the Peri Urban Future Fund Framework can be provided upon request.

THE ASK:

Formally recognise peri urban councils in policy and in funding programs.

Support peri urban councils to plan, prioritise and appropriately fund major infrastructure for communities in Australia's rapidly growing urban fringe.

Continue investing in key funding streams to support the delivery of community infrastructure, roads and jobs.

Consider the creation of a Developer Contribution Plan Loan Model or peri urban specific Capital Infrastructure Fund as per the recommendations of Peri Urban Councils Victoria.

6.

Fair Increases to
**Financial
Assistance
Grants.**

Make a Difference:

'Baw Baw Shire calls on the Federal Government to sustainably fund local governments through fair and equitable levels of Financial Assistance Grants and Roads to Recovery funding.

6.

Fair Increases to Financial Assistance Grants.

Local councils play a fundamental role in shaping the day-to-day experiences and long-term well-being of communities. Our close connection with residents makes local government indispensable to the social, economic, and cultural fabric of communities and vitally important to the facilitation of national priorities such as housing targets.

THE ASK:

Baw Baw Shire Council asks that the Federal Government restore Financial Assistance Grants to 1% of federal taxation revenue whilst maintaining existing funding streams.

Review how Financial Assistance Grants are calculated and distributed to provide greater support for high growth peri urban municipalities.

Local Context

As a fast-growing peri urban region, Baw Baw Shire is faced with the dual problem of needing to deliver numerous new strategic infrastructure projects to accommodate the rapid growth in our major urban areas, including unlocking planned and much needed housing developments, whilst maintaining an equitable level of service in our remote and rural communities.

Financial Assistance Grants are one source of untied funding that Councils such as Baw Baw Shire can potentially draw on to deliver new community infrastructure projects. However, with the ongoing decline in the value of untied Financial Assistance Grants over the past few decades from 1% of federal taxation revenue to the current approx. 0.5%, utilising them for infrastructure projects whilst remaining financially sustainable means diverting funds away from service delivery.

Baw Baw Shire Council maintains that the local government sector should be allocated a fairer share of federal taxation revenue to ensure ongoing long-term sustainability and productivity.

Given the distinct and significant challenges faced by peri urban municipalities who must balance the needs and expectations of remote and urban communities, Baw Baw Shire Council also encourages the Federal Government to work with local government grants commissions to review the general-purpose grants methodology to consider peri urban and regional LGAs with high forecast population growth in concentrated areas.

Funding which realistically acknowledges and keeps pace with the additional services and infrastructure required to support development in specific urban growth precincts whilst still maintaining a vast network of assets and services in small rural towns and hamlets is crucial to the long-term financial sustainability of councils such as Baw Baw Shire.

Fair and ongoing increases to financial assistance grants would remove financial burden on rate payers and allow councils to more realistically address local needs, priorities, and expectations.

6A.

Increase & Equitably Allocate Roads to Recovery Funding.

Regional Councils manage more than 75% of the nation's road network. In Victoria, councils are responsible for managing up to 87% of the state's road network. Baw Baw Shire is Victoria's largest peri urban municipality, covering 4,028 km², and maintains 1,770km of local roads.

Local Context

With a current total population of just over 65,000, Baw Baw Shire's relatively small rates base means that the Council has \$9 of total assets under management for every \$1 of revenue. Other regional and rural councils find themselves in similar situations.

Roads to Recovery (R2R) directly supports councils by giving them flexibility to improve local road safety, connectivity, and freight efficiency in alignment with local needs and priorities.

More than any other program, increasing Roads to Recovery – as well as developing a more equitable model for distributing R2R funding – would have the biggest positive impact on regional and rural road infrastructure that the federal government could deliver.

As regional and rural councils have much smaller rates bases than metropolitan councils, an increase in R2R funding would allow councils to increase road maintenance and close the gap on overdue repairs due to insufficient revenue.

Research from the Grattan Institute recommends increasing R2R funding by \$400 million per year to address chronic underfunding and to ensure road maintenance keeps pace with cost increases, noting that current funding has lagged behind construction and maintenance demands and inflation, particularly in rural and regional areas.

While the federal government has committed to increasing R2R funding to a total of \$1 billion over the next few years, this is both not enough and not a long-term solution as costs continue to rise. The same Grattan Institute research indicates that \$1 billion per year is only enough to keep roads maintained in their current (inadequate) state; continued increases in R2R funding are needed to both properly fix and upgrade roads and to account for increasing costs in repair and maintenance.

Improvements would be even greater if the funding distribution model was more equitable – due to larger geographic sizes and smaller populations (and therefore smaller rates bases), the cost per person to maintain road infrastructure is far higher for rural and regional councils than it is for metropolitan councils. An increase in R2R funding along with an R2R funding model that acknowledges this and directs a higher share of funding to rural and regional councils, in line with the idea that all councils should be able to provide a similar level of road services, would have a higher positive impact than just funding increases alone.

THE ASK:

Continued annual increases in Roads to Recovery (R2R) funding to both bring the funding to a level where councils can properly maintain and repair their road networks, and to keep pace with rising costs.

A more equitable allocation of R2R funding that allows all councils to deliver similar levels of road maintenance, repairs, and renewal.

Make a Difference:

Baw Baw Shire also supports the Grattan Institute's recommendation that R2R funding distribution is reviewed and amended to a more equitable model that takes into account the larger geographic sizes and smaller rates bases of regional and rural councils.

7.

Secondary Advocacy Priorities.

Make a Difference:

These projects are areas of community need which will make a significant impact on the safety, livability and sustainability of Baw Baw as a place to live and work, as well as projects and initiatives endorsed by Council in strategic documents and policies.

7.

Secondary Advocacy Priorities.

Local Context:

These projects are areas of community need which will make a significant impact on the safety, livability and sustainability of Baw Baw as a place to live and work, as well as projects and initiatives endorsed by Council in strategic documents and policies.

These priorities are likely to be delivered over varying timeframes based on their strategic alignment with regional, State, and Federal plans. Advocacy for these priorities requires an agile approach by Council, pivoting to take advantage of opportunities as they arise.





More information

Visit our website to find out more about our Advocacy products.

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