



LEGISLATIVE ASSEMBLY

Committee on Investment, Industry and Regional Development

MEDIA RELEASE

Do job and investment grant programs work for regional NSW?

In 2020, \$350 million in public money was allocated to two NSW Government funding programs to support regional job creation and promote business investment.

The Legislative Assembly Committee on Investment, Industry and Regional Development has tabled its report on the effectiveness of these two funds as part of its inquiry into the performance of the Regional Investment Activation Fund (RIAF) and the Regional Job Creation Fund (RJCF).

The Committee found that the funds were successful in stimulating regional industries, but lessons could be learned to ensure future funding programs are better targeted. The ending of both funds in 2023 was also costly to grant applicants and a lost opportunity for regional economies.

"The inquiry highlighted where improvements in the management of the funds could have made them more effective," said Committee Chair, Mr Roy Butler MP.

"The needs of businesses change over time, especially when they are seeking to expand, and this needs to be taken into account when designing grant programs."

"Business owners have a lot of demands on their time and the grant application process needs to be as simple as possible and not an overly complex or time-consuming process."

Report recommendations aim to improve how the government designs and runs its grant programs. The Committee found that inflexible program guidelines, exclusion criteria, red tape and poor communication can all impact the effectiveness of grants.

"The Department of Primary Industries and Regional Development should recognise that traditional funding frameworks may not suit small businesses and consider other options. The Department also needs to offer more support to grant applicants, especially those in regional areas with less resources," said Mr Butler.

The report also considered how wider barriers like labour shortages and complex planning systems impact economic growth in regional NSW.

"There are structural impediments for economic growth in regional NSW. The Government needs to take a comprehensive approach to address these issues. For example, we need to improve the planning system and bridge regional infrastructure gaps over the long term," the Chair said.

The Committee heard from a range of stakeholders including businesses, local councils and members of the public on their experiences with RIAF and RJCF. They also visited businesses in Wagga Wagga, Bomen and Junee.

"We appreciate people sharing their experience and knowledge with the Committee and hope this report and its recommendations will help ensure future grant programs deliver increased jobs and prosperity across regional NSW."

The report can be found on the [inquiry webpage](#).



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