



**NSW Youth Parliament**

# **Targeted Future Development Framework Youth Act 2025**

Bill Proposed By: Economic Sustainability Committee

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I certify that this public Bill, which originated in the Youth Legislative Assembly, has finally passed the Youth Legislative Assembly of New South Wales.

Hamani Tanginoa, Youth Parliament Coordinator



**NSW Youth Parliament**

# **Targeted Future Development Framework Youth Act 2025**

Act no. 5, 2025

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## **A Bill for**

an Act to establish a state framework which outlines workforce development, sustainable business industry investment, and regional growth to future-proof the economy, and other purposes.

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I have examined this bill and find it to correspond in all respects with the bill as finally passed by the Youth Legislative Assembly.

Lian Sequeira, Youth Governor of the NSW Youth Parliament

## Explanatory Note

### Summary

The establishes a legislative mechanism for encouraging economic and workforce development in regional and rural New South Wales. The Act does so by empowering the Minister for Regional NSW to declare certain areas as Local Growth Industry Zones (LIGZs), within which businesses may be eligible for targeted support, including grants, infrastructure assistance, and regulatory streamlining. The Act further incentivises collaboration between businesses and educational institutions to improve career pathways and employment outcomes in regional communities. It also provides a clear framework for transparency, accountability, and public oversight regarding the use of government funding. The Act is structured into six divisions, each setting out core aspects of the framework.

### Overview of Provisions

**Part 1** of the act sets out the title, commencement, relationship with other acts and laws, the objects of the act and the definitions.

**Part 2** of the act confers powers on the Minister for Regional NSW to formally declare Local Growth Industry Zones (LIGZs) in areas classified RA2 or below under the ASGS-RA. The declaration process includes criteria to ensure the economic need and strategic potential of each area is considered. These include unemployment data, infrastructure capacity, and alignment with regional strategies. The division also mandates community and local government consultation prior to declaration and requires that declarations be reviewed every three years to assess ongoing relevance and effectiveness. The provisions ensure that LIGZ declarations are both evidence-based and adaptable over time.

**Part 3** of the act sets out the establishment and administration of a grants program operated by the Department of Regional NSW. Grants are available for a range of eligible activities that contribute to the objectives of the LIGZs, including business relocation and infrastructure development. Eligibility and application processes are clearly outlined, with a merit-based assessment framework. The division includes provisions to limit the use of funds to approved purposes and enables the Department to impose conditions on recipients, including provisions for repayment if terms are breached. These clauses are designed to ensure government support is impactful, accountable, and appropriately targeted.

**Part 4** of the act recognises the importance of workforce development and regional skills training. It outlines a system of additional incentives for businesses that enter formalised partnerships with educational institutions such as high schools, TAFEs, and universities. These “pathway partnerships” may include apprenticeships, cadetships, internships, or full-time employment opportunities for students and graduates. The Act authorises the Department to certify such partnerships and to offer enhanced grant support and public recognition to certified programs. It also enables bonus payments or funding multipliers for businesses that employ target groups such as youth, Aboriginal and Torres Strait Islander persons, or long-term unemployed individuals from the region.

**Part 5** of the act sets out robust transparency and accountability measures. These include a requirement for all grant recipients to provide annual reports to the Department detailing how funds have been used and what employment outcomes have been achieved. The Department

is also required to maintain a publicly accessible registry of grant recipients, supporting open governance and community confidence. Annual program-wide evaluations must be tabled in Parliament to assess the impact and effectiveness of the framework. The Department is granted audit powers and may impose financial or legal penalties in cases of misuse, non-compliance, or fraud. This ensures strong fiscal responsibility and deters abuse of public funds.

**Part 6** of the act includes enabling provisions to ensure the smooth operation and evolution of the framework. These include powers for the delegation of responsibilities, regulation-making by the Governor, and transitional arrangements for implementation. Importantly, it also mandates a formal review of the entire Act to occur within five years of commencement, ensuring the framework remains effective, evidence-driven, and responsive to changing regional needs.

## Rationale

### Introduction:

As the Economic Sustainability Committee, we've identified that there is a significant decrease in economic activity and job creation in regional and rural New South Wales. Although *the NSW Treasury Economic Outlook* does report that statewide growth remains consistent, the growth in regional and rural NSW is much weaker than initially projected, despite public demand indicates potential growth (NSW Treasury, 2025). The trend is further supported by the NSW Government 2024/25 Half Yearly Review, noted that aggregate growth in regional areas was high, but still notably subdued in comparison with metropolitan areas (NSW Treasury, 2024). Additionally, the Department of Regional NSW's 2023/24 report identified issues in the planning system and other factors hindering growth in rural and regional areas (Department of Regional NSW, 2024). These factors limit the effectiveness of other resources such as the Regional Investment Activation Fund and Regional Job Creation Fund (Parliament of NSW, 2024). This culminates in a series of economic challenges faced by regional and rural NSW communities.

### Insufficient ratio between employment opportunities/residents:

Across Regional NSW, there is an issue with aligning job opportunities to match the needs of a growing population and workforce, particularly in outer-regional and rural areas. This misalignment is evident in regions like the Central Coast, where the job-to-worker ratio was recorded at 0.81 in 2022/23, according to data from the Central Coast Council (.id (Informed Decisions), 2024). The situation reflects broader structural challenges, where residential development and population growth outpace economic development and local job creation. This issue is compounded by critical labour shortages in essential sectors such as construction and healthcare. These examples underscore the need for coordinated policy efforts and targeted investments aimed at generating sustainable, local employment opportunities. Without such measures, regional communities will risk having economic stagnation and social strain, despite having the population base and skill sets required to staff specific sectors.

### “Job Flight” in regional and rural NSW:

“Job Flight” refers to the departure of skilled workforces from regional and rural areas to more urban areas in search of employment, this is especially present in NSW and has posed significant economic challenges. Recent budgets allocated \$5.2 million Future Jobs and Investment authorities aiming to secure regional employment and attract investment. Despite this, regional and rural areas continue to experience economic downturns, hindering previous and current initiatives in these areas.

## Reference List

- .id (Informed Decisions). (2024). *Central Coast NSW | Economic Profile*. Retrieved from .idcommunity | demographic resources:  
<https://economy.id.com.au/central-coast-nsw/Employment-capacity>
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- NSW Treasury. (2024). *Half-Yearly Review 2024/25*. Sydney: NSW Department of Treasury.
- NSW Treasury. (2025, January). *NSW Economic Outlook: NSW Treasury*. Retrieved from NSW Department of Treasury: <https://www.treasury.nsw.gov.au/nsw-economy/about-nsw-economy/economic-outlook>
- Parliament of NSW. (2024, December). *Performance of the Regional Investment Fund and the Regional Job Creation Fund*. Retrieved from Parliament of NSW:  
<https://www.parliament.nsw.gov.au/committees/Pages/inquiryprofile/performance-of-the-regional-investment-activation-fund-and-the-regional-job-creation-fund.aspx#tab-reportsandgovernmentresponses>





## The Youth Legislature of New South Wales enacts—

### Part 1 Preliminary

#### 1 Name of Act

This Act is the Targeted Future Development Framework Youth Act 2025.

#### 2 Commencement

The Act commences on the first day of the first calendar year after assent.

#### 3 Relationships to other Acts

(1) This Act applies in addition to and does not derogate from other applicable legislation unless expressly stated.

(2) Where a conflict arises, this Act shall prevail to the extent of any inconsistency.

#### 4 Objects

The objects of this Act are to—

- (a) promote equitable economic development in regional New South Wales; and
- (b) attract investment and stimulate regional industries; and
- (c) encourage job creation and retention in rural and regional communities; and
- (d) support skills development and career pathways through education-industry partnerships; and
- (e) ensure transparency and accountability in the use of public funds to support growth

#### 5 Definitions

In this Act—

**ASGS-RA** means the Australian Statistical Geography Standard - Remoteness Areas

**Department** means the Department of Regional New South Wales

**Eligible businesses** mean a sole trader, partnership, cooperative, or registered company operating, or intending to operate in a LIGZ.

**Eligible educational institutions** include any accredited secondary school, TAFE Institute, university, or registered training organisation operating in New South Wales.

**Local Growth Industry Zone (LIGZ)** means a region targeted under this Act that has potential for economic growth.

**Minister** means the Minister for Regional New South Wales.

**Pathway Partnership** means a formal, ongoing collaboration between a business and educational institution to provide career training, apprenticeships or employment.

**Note**— The *Interpretation Act 1987* also contains definitions and other provisions that affect the interpretation of this Bill.

## **Part 2 Establishment of Local Growth Industry Zones**

### **6 Declaration of LIGZs**

- (1) The Minister, may by order published in the Gazette, declare a Local Growth Industry Zone if it meets the criteria under Section 7.

### **7 Criteria for Declaration**

- (2) In declaring a LIGZ, the Minister must—
- a. current economic performance of the area; and
  - b. local infrastructure capacity; and
  - c. industry readiness and demand; and
  - d. if the area is classified as RA2 or below according to the ASGS-RA classification; and
  - e. potential for sustainable economic growth and long-term viability

### **8 Scope of Declaration**

- (1) Before making a declaration, the Minister must—
- a. the industries targeted; and
  - b. the geographical boundaries; and
  - c. strategic development objectives; and
  - d. the duration of the declaration not exceeding five (5) years

### **9 Community and Stakeholder Consultation**

- (1) Before making a declaration, the Minister must—
- a. publish a draft notice for public comment for at least 28 days; and
  - b. consult with relevant LGAs, community groups and stakeholders

### **10 Review and Renewal of LIGZs**

- (1) Each LIGZ must be reviewed at least every five (5) years.
- (2) A declaration may be renewed or amended based on evidence of economic or community impact.

## **Part 3 Grants Scheme and Support Mechanisms**

### **11 Establish of Grants Program**

- (1) The Department shall establish a grant program to support economic development in declared LIGZs.

### **12 Purpose of Grants**

- (1) Grants may be awarded to support—
  - a. business establishment or relocation; and
  - b. infrastructure and facility upgrades; and
  - c. employment and training initiatives; and
  - d. partnership development with educational institutions

### **13 Eligibility Criteria for Business**

- (1) To be eligible, businesses must be—
  - a. be registered in New South Wales; and
  - b. operate or intend to operate within a LGIZ; and
  - c. demonstrate alignment with targeted industries; and
  - d. meet any additional requirements set by the Department; and
  - e. businesses with a record of environmental breaches or labour rights violations in the past five (5) years are ineligible for grants

### **14 Application and Assessment Process**

- (1) Applications must be submitted in the approved form.
- (2) The Department must assess applications based on merit, impact, and strategic alignment.
- (3) The Department may establish independent panels for review.

### **15 Use of Funds**

- (1) Funds granted must only be used for purposes set out in the approved grant agreement.

### **16 Grant Conditions and Repayments**

- (1) The Department may impose conditions recipients and require repayment where—
  - a. conditions are breached; and
  - b. funds are misused or misreported

## **Part 4 Industry Education Pathways and Incentives**

### **17 Partnership Incentive Grants**

- (1) Additional grants may be provided to businesses that partner with eligible institutions to offer—
- a. internships; and/or
  - b. apprenticeships or cadetships; and/or
  - c. job placements; and/or
  - d. jointly delivered training

### **18 Certification of Pathways Partnership**

- (1) The Department shall certify formal partnerships which meet its standards.
- (2) Certification shall be required for access to additional incentive funding.

### **19 Employment-Based Funding Bonuses**

- (1) Businesses employing local youth, long-term unemployed, or Aboriginal and/or Torres Strait Islander persons may receive additional bonuses.
- (2) Bonuses will be proportionate to the number and duration of placements.
- (3) Businesses cannot receive pathway funding for the same student or role more than once unless there is a demonstrated new skill or qualification involved.

### **20 Local Content Requirements**

- (1) The Department may prioritise grants applicants who commit to—
- a. hiring locally; and
  - b. sourcing regional materials and services; and
  - c. contributing to community development initiatives

## **Part 5 Administration, Oversight and Compliance**

### **21 Role of the Department**

- (1) The Department shall be responsible for—
- a. administering the grants program; and
  - b. issuing operational guidelines; and
  - c. monitoring compliance; and
  - d. publishing performance data

### **22 Annual Business Reporting Obligations**

- (1) All recipients of funding must submit an annual report including—

- a. grant funding expenditures; and
- b. employment and training outcomes; and
- c. details of active partnerships

### **23 Public Grants Register**

(1) The Department must maintain an online public register including—

- a. names of all grant recipients; and
- b. funding amounts; and
- c. project summaries and outcomes

### **24 Performance Evaluation and Reporting**

(1) The Department must—

- a. evaluate the program's performance annually; and
- b. table a report in Parliament within six (6) months of the end of each financial year.

### **25 Audit Powers**

(1) The Department may audit any businesses that receive a grant under this Act to determine compliance.

### **26 Non-Compliance Penalties**

(1) The Department may impose penalties if a recipient—

- a. provides false or misleading information; and/or
- b. fails to comply with grant conditions; and/or
- c. misuses funds

(2) Imposed penalties may include, but not limited to—

- a. repayment of funds; and/or
- b. suspension from future applications; and/or
- c. fines of a minimum—
  - i. 2,000 penalty units for a body corporate; or
  - ii. 500 penalty units for individuals

## **Part 6 Powers of Operation**

### **27 Delegation of Functions**

(1) The Minister or Department may delegate any of their powers under this Act to a person or body within the NSW Government.

## **28 Regulation Making Powers**

- (1) The Governor may make regulations, not inconsistent with this Act, for the purposes of carrying it into effect.

## **29 Transitional Provisions**

- (1) The Minister may, by order published in the Gazette, make such provisions as are necessary or convenient for the transition to the operation of this Act.
- (2) A transitional order may include, but not limited to—
  - a. provide for the continuation, amendment, or replacement of any pre-existing pilot regional economic programs such as LIGZs under this Act; or
  - b. deem any previously awarded regional development grants to be grants under this Act if they meet the eligibility criteria; or
  - c. allow for staggered implementation of grant schemes and regulatory procedures to ensure orderly administration; or
  - d. exempt specified areas or classes of persons from certain provisions of this Act for a defined transitional period, not exceeding twelve (12) months from commencement.
- (3) Any transitional provision made under this Section has effect despite anything to the contrary in this Act or any other Act.

## **30 Direction to Expedite Local Approvals**

- (1) The Department may direct the relevant local government authority within a declared LIGZ to expedite assessment or approval processes for projects supported under this Act, where timely delivery is necessary to meet economic or strategic outcomes.

**Produced for The Y NSW Youth Parliament**