
The Parliament of the Commonwealth of Australia

Time running out:

Shaping Regional Australia's Future

**Report of the inquiry into infrastructure and the development of
Australia's regional areas**

House of Representatives

Standing Committee on Primary Industries and Regional Services

February 2000
Canberra, Australia

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ISBN



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DISSENT - The Hon R C Katter, MP



Foreword

The title of this report, *Time running out*, reinforces the urgent need to firstly acknowledge the deficiencies in infrastructure that exist throughout regional Australia and secondly, the need to remedy that lack of infrastructure.

Action is needed to ensure that many regional communities don't just survive but learn to thrive once again.

Without action to stop the reduction of services still occurring throughout many areas and a new focus for investment in regional Australia, we face the danger of Australia being divided into "two nations"; those in the metropolitan area and some large provincial areas continue to gain improved access to all areas of infrastructure and in particular, telecommunications, while those in the traditional heartland of regional and rural Australia face the prospect of declining access to many services and a lack of improvement in infrastructure.

The uneven distribution of the benefits of Australia's economic resilience and strong growth post the Asian economic crisis has highlighted this division between the cities and many country areas.

Throughout the 12-month period of this inquiry, it became clear that some regional areas had been very successful in attracting investment to develop infrastructure and the benefits in both economic and social terms were obvious.

However, it was equally clear that in stark contrast to those regions that were thriving, there were many who were only surviving and the problems those communities faced would increase unless remedial action was taken.

It was obvious to the Committee that there was a need to identify these infrastructure needs on a national basis and that there should be a means where the needs and proposals of a region could be connected to opportunities of both public and private investment and provided with information from all three levels of government.

A precedent for this national approach was set early in 1999 by the OECD when it created a Territorial Development Policy Committee to evaluate existing strategies and define new options for regional economies. This was based on the OECD's realisation of increasing difficulties faced by regions in adapting to trade globalisation and technical change.

These difficulties were reflected in growing disparities in regional incomes and capacity and the ability to adopt and retain a competitive edge.

Similarly, governments in Europe, North America and Japan have developed policies to provide assistance to help regions develop their own futures.

There now exists an opportunity for the Commonwealth Government to take the lead in reshaping the future of regional Australia in partnership with local and State governments and the private sector.

The commitment, vision and energy that are hallmarks of Australian country people can be harnessed to achieve competitive industry clusters, small business networks, workforces focussed on the future and improved standards of living to support and retain local populations for the future.

This report provides direction for the Commonwealth Government to enable Australia's regional areas to fulfil this potential.

I wish to thank the many individuals and organisations who provided written submissions and oral evidence at public hearings, inspections and informal meetings throughout Australia.

I would also like to thank my Deputy Chair and Committee colleagues, and the secretariat for their time and dedication over the period of the inquiry.

Fran Bailey

Committee Chair

24 February 2000



Membership of the Committee

Chair Fran Bailey, MP

Deputy Chair Hon Dick Adams, MP

Members Mr Peter Andren, MP

Mr Bob Horne, MP

Hon Bob Katter, MP

Mr Tony Lawler, MP (from 30/8/99)

Mr Ian Macfarlane, MP

Hon Leo McLeay, MP

Mr Gary Nairn, MP

Mr Patrick Secker, MP

Mr Sid Sidebottom, MP

Mr Cameron Thompson, MP

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Terms of reference

The House of Representatives Standing Committee on Primary Industries and Regional Services will inquire into and report on the role of infrastructure in assisting the economically sustainable development of Australia's regional areas. The committee will, among other matters, consider and make recommendations about:

- deficiencies in infrastructure which currently impede development in Australia's regional areas;
- factors that would enhance development in these areas, including the provision of infrastructure such as energy, transport, telecommunications, water supplies, and facilities that deliver educational, health and financial services;
- the potential for development in regional areas;
- the extent to which infrastructure development would generate employment in regional Australia;
- the role of the different levels of government and the private sector in providing infrastructure in regional areas;
- planning, coordination and cooperation in the provision of infrastructure in regional areas; and
- the benefit to the national economy of developing regional infrastructure.



List of abbreviations

AAA	Australian Automobile Association
AARNet	Australian Academic and Research Network
ABA	Australian Broadcasting Authority
ACA	Australian Communications Authority
ACAT	Aged Care Assessment Team
ACC	Area Consultative Committees
ACCC	Australian Competition and Consumer Commission
AFFA	Agriculture, Fisheries and Forestry Australia
AGL	The Australian Gas Light Company and Electricity Supply Association of Australia Limited
AIC	Assistance for Isolated Children
AIHW	Australian Institute of Health and Welfare
ALGA	Australian Local Government Association
AMPS	Analogue Mobile Phone System
AN	Australian National
ANTA	Australian National Training Authority
AOPA	Aircraft Owners and Pilots Association

ARCS	Analogue Radio Concentrator Systems
ARMCANZ	Agriculture and Resource Management Council of Australia and New Zealand
ARTC	Australian Rail Track Corporation
ATO	Australian Taxation Office
AusCID	Australian Council for Infrastructure Development
BEP	Business Entry Point
BITs	Building IT Strengths
BOO	Build-Own-Operate
BOOT	Build-Own-Operate-Transfer
Bps	bits per second
BRACS	Broadcasting for Remote Aboriginal Communities Scheme
BSPVES	Bass Strait Passenger Vehicle Equalisation Scheme
BSSPES	Bass Strait Sea Passenger Equalisation Scheme.
CAN	Customer Access Network
CAP	Country Areas Program
CDMA	Code Division Multiple Access
COAG	Council of Australian Governments
CQU	Central Queensland University
CSG	Customer Service Guarantee
CYDN	Cape York Digital Network
D&C	Design and Construct
DBO	Design-Build-Operate
DETYA	Department of Education, Training and Youth Affairs

DRCS	Digital Radio Concentrator Systems
DTH	Direct to Home
e-commerce	electronic commerce
EdNA	Education Network Australia
EPAC	Economic Planning Advisory Commission
ERIC	Environmental Research and Information Consortium
FMO	Future Mode of Operation
FNQ	Far North Queensland
FRA	Fixed (point-to-multipoint) radio
FTA	Free to Air
GDN	GrowZone Regional Development Network
GSM	Global Systems for Mobile Communication
GST	Goods and Services Tax
HCRC	High Capacity Digital Radio Concentrator Systems
HDTV	High Definition Television
HEO	Highly Elliptical Orbit
HMR	Hunter Medical Research
HREOC	Human Rights and Equal Opportunity Commission
IB	Infrastructure Bonds
IBTO	Infrastructure Bonds Tax Offset
ICPA	Isolated Children's Parent's Association of Australia
IEAust	Institution of Engineers, Australia
IIIS	Institutional Investor Information Service
ISDN	Integrated Service Digital Network

ISP	Internet Service Provider
ITOL	Information Technology Online
IRTP	Integrated Regional Transport Plan
Kbps	kilobits per second
LEO	Low-Earth-Orbit
LMDS	Local Multipoint Distribution Service
Mbps	megabits per second
MDS	Multipoint Distribution Service
MEO	Medium Earth Orbiting
MHz	MegaHertz
MITEZ	Mount Isa to Townsville Economic Development Zone
MPF	Major Project Facilitation
MPSs	Multi Purpose Services
NCC	National Competition Council
NCP	National Competition Policy
NFF	National Farmers' Federation
NIAC	National Infrastructure Advisory Council
NLWRA	National Land and Water Resources Audit
NRC	National Rail Corporation
NSHC	National Sea Highway Committee
NTEU	The National Tertiary Education Union
NTN	Networking the Nation
NTPT	National Transport Planning Taskforce
OGO	Office for Government Online

PFI	Private Finance Initiative
PMP	Property Management Planning
PSTN	Public Switch Telephone Network
QFF	Queensland Farmers' Federation
RABS	Remote Area Broadcasting Services
RAPS	Remote Area Power Supply
RASS	Remote Air Service Subsidy Scheme
REDO	Regional Economic Development Organisation
REDOL	Regional Economic Development Open Learning Program
RFDS	Royal Flying Doctor Service
RTIF	Regional Telecommunications Infrastructure Fund
SDTV	Standard Definition Television
SEAL	Secure Electronic Authenticated Link
SILO	Specific Information for Land Owners
SME	Small and Medium Sized Enterprise
TIGERS	Trials in Innovative Government Electronic Regional Services
TIP	Transport Infrastructure Project
TIRES	Timber Road Evaluation Studies
TPA	Trade Practices Act (1974)
UNE	University of New England
USO	Universal Service Obligation
VET	Vocational Education and Training
VHF	Very High Frequency
VHST	Very High Speed Train

WAMP Water Allocation Management Plan

WLL Wireless Local Loop



List of recommendations

2 Leadership and local skills

Recommendation 1

The committee recommends that the Commonwealth government assist regional development and the regeneration of skills and leadership in regional areas by relocating strategic Commonwealth departments essential to facilitating regional development to the regions, beginning with the Department of Agriculture, Fisheries and Forestry and Environment Australia.

(Paragraph 2.30)

Recommendation 2

The committee recommends that the Commonwealth government, in partnership with state and local governments, the tertiary sector, business, industry and non-government organisations:

- develop formal programs offering skills development to regional businesses and communities with a strategic focus on clustering and linking of projects across a region. Programs should have regard to regional development best practice and include:

⇒ farm extension services;

⇒ industry practice; and

⇒ business planning, investment requirements and marketing.

- encourage key institutional investors and private sector leaders (for example, from energy, water or telecommunications utilities) to assist local leaders to develop ideas for consideration by investors.

(Paragraph 2.31)

Recommendation 3

The committee recommends that the Commonwealth government, in partnership with state and local governments, provide increased funding for development and delivery of an integrated strategy for a range of leadership development programs for regional Australia, in recognition of their responsibility to provide assistance to build effective leadership capability in regions, including:

- leadership recognition and award programs;
- a centre for regional development best practice; and
- a regional development fellowship fund for university placement of regional fellows.

(Paragraph 2.32)

Recommendation 4

The committee recommends that the Commonwealth promote the concept of 'learning regions' through encouragement of 'study groups' focussing on regional development best practice in communities comprising representatives of government, business, industry and communities, to be developed in partnership with state and local governments and other bodies.

(Paragraph 2.33)

3 Policy, planning and coordination**Recommendation 5**

The committee recommends that the Department of Transport and Regional Services work with state, territory and local governments, to:

- develop national, 'whole of government' and 'whole of region' integrated, coordinated and strategic infrastructure planning; and
- assist local government to improve infrastructure planning.

(Paragraph 3.34)

Recommendation 6

The committee recommends that the Commonwealth government establish a National Infrastructure Advisory Council (NIAC), with expertise from the public and the private sectors, to facilitate the efficient and equitable provision of national infrastructure by both public and private sector stakeholders.

(Paragraph 3.38)

Recommendation 7

The committee recommends that the function of the proposed National Infrastructure Advisory Council be to report through the Council of Australian Governments to Ministers responsible for regional development on:

- what strategic infrastructure development is taking place;
- projects meeting national criteria that could be developed across regions and between states; and
- international developments in infrastructure funding models.

(Paragraph 3.39)

Recommendation 8

The committee recommends:

- rationalisation of the many different regional organisations that currently exist; and
- that, in relation to the model used to deliver government funding and services to regional areas:

⇒ its membership has the expertise to advise the proposed National Infrastructure Advisory Council; and

⇒ the body itself reflects the area that it is designed to service.

(Paragraph 3.57)

Recommendation 9

The committee recommends that the Commonwealth Government take urgent steps to implement the recommendations made in 1999 by the Productivity Commission in its report *Impact of Competition Policy Reforms on Rural and Regional Australia* relating to:

- community understanding of national competition policy; and
- assistance for people adversely affected by national competition policy.

(Paragraph 3.64)

Recommendation 10

The committee recommends that the proposed National Infrastructure Advisory Council ensure that a national audit of the state of existing regional infrastructure and future infrastructure needs be conducted.

The national audit should:

- identify existing regional infrastructure investment by the public and the private sector;
- identify projects requiring public/private sector partnership funding;
- build on audits already commenced by individual states and territories; and
- be undertaken transparently, across all jurisdictions and with full cooperation from all levels of government.

(Paragraph 3.70)

Recommendation 11

The committee recommends that, through the proposed National Infrastructure Advisory Council, the Commonwealth establishes processes for the upgrading, the accelerated acquisition and the sharing of data, including land, geographic, economic and social data, to better facilitate base information needed for infrastructure planning.

These processes should address the compatibility of data between government agencies and the availability and cost of data transfer between the public and private sectors.

(Paragraph 3.71)

4 Finance and investment

Recommendation 12

The committee recommends that the proposed National Infrastructure Advisory Council provides information on priority regional infrastructure investment projects to bodies such as the Federation for Rural and Regional Renewal, for its consideration for funding.

(Paragraph 4.33)

Recommendation 13

The committee recommends that:

- superannuation fund administrators be encouraged to invest in regional infrastructure; and
- the proposed National Infrastructure Advisory Council publish and disseminate information on proposed regional infrastructure projects.

(Paragraph 4.41)

Recommendation 14

The committee recommends that the Commonwealth government facilitate private investment in regional infrastructure by:

- publicising guidelines already developed by states;
- making information readily available to investors, for example, on taxation reforms;
- streamlining and expediting administrative processes; and
- providing tax relief, removing impediments and providing other incentives where the investment may otherwise not proceed.

(Paragraph 4.54)

Recommendation 15

The committee recommends that the Commonwealth government remove Section 51AD and amend Division 16D of the *Income Tax Assessment Act 1936* as soon as possible, to allow the development of effective, workable public/private partnerships for the financing of infrastructure.

(Paragraph 4.60)

Recommendation 16

The committee recommends that the Commonwealth government examine international private financing initiatives for infrastructure, including those used in the United Kingdom (Private Finance Initiative), Japan and the United States, and make the findings publicly available as soon as possible.

(Paragraph 4.66)

Recommendation 17

The committee recommends that, further to Recommendation 15, the Commonwealth government replace the Infrastructure Bonds Tax Offset scheme with other incentives and forms of assistance for projects based on their commercial viability and public benefit.

(Paragraph 4.76)

Recommendation 18

The committee recommends that a database of successful best practice cluster development models suitable for Australian application be developed by Commonwealth agencies, for example, for:

- intermodal transport;
- tourism; and
- telecommunications initiatives.

In compiling the database, agencies should identify the critical factors underpinning the success of each cluster development. *(Paragraph 4.87)*

5 Access to telecommunications - access to opportunity

Recommendation 19

The committee recommends that the Commonwealth government require telephone carriers to meet levels of service established under the Customer Service Guarantee for all customers, regardless of location.

(Paragraph 5.15)

Recommendation 20

The committee recommends that the Commonwealth government require telephone carriers to develop pricing, technical standards and levels of support for telecommunications services that are independent of distance.

(Paragraph 5.35)

Recommendation 21

The committee recommends that the Commonwealth government fund alternative communications solutions for rural and regional Australia through the Regional Telecommunications Infrastructure Fund program. Digital broadband microwave link technology is an example of an alternative technology that could be considered.

(Paragraph 5.46)

Recommendation 22

The committee recommends that the Commonwealth government monitor the competitive provision of mobile telephony to regional Australia, and, if market stimulation of carrier roaming is not evident by August 2000, it should require roaming agreements between all carriers.

(Paragraph 5.59)

Recommendation 23

The Committee recommends that, if the inquiry by the Australian Communications Authority into Telstra's new CDMA network finds that CDMA technology is not delivering adequate and reliable mobile telephony to regional Australia in the near future, the Commonwealth government develop regulation and/or targeted funding to ensure that reliable mobile telephony services are available to regional areas as soon as possible.

(Paragraph 5.67)

Recommendation 24

The committee recommends that the Commonwealth government adopt policies and mechanisms that require carriers to prioritise delivery of

telecommunications services, so that areas already unserved are not further disadvantaged.

(Paragraph 5.70)

Recommendation 25

The committee recommends that the Commonwealth government review the guidelines for spectrum licensing and auctions with a view to releasing more spectrum, in order to maximise opportunities for competition between carriers and service providers for the benefit of regional Australians.

(Paragraph 5.76)

Recommendation 26

The committee recommends that the Commonwealth government deregulate that part of the telecommunications market relating to access links. In particular, the Commonwealth government should:

- encourage the formation of cooperative networks by individuals and communities; and
- develop legislative mechanisms to allow registration of cooperative networks as ‘facilities carriers’.

(Paragraph 5.77)

Recommendation 27

The committee recommends that the Commonwealth government work with state and territory governments, local government, communities and industry to develop partnerships to determine affordable, telecommunications solutions that meet community needs, including through satellite delivery.

(Paragraph 5.91)

Recommendation 28

The committee recommends that the Universal Service Obligation be extended to include internet access for all regional Australians, and that delivery of the Universal Service Obligation be undertaken so as to ensure promotion of competition in the provision of telecommunications infrastructure in regional Australia.

(Paragraph 5.106)

Recommendation 29

The committee recommends that the evaluation of the Networking the Nation program be ongoing and that the results be made publicly available.

(Paragraph 5.117)

Recommendation 30

The committee recommends that:

- the Commonwealth government accelerate development of online electronic delivery of its services and continue to work with state and local governments to provide integrated online delivery of all government services; and
- that the prototypes resulting from the Trials in Innovative Government Electronic Regional Services project be made available to the whole of regional Australia.

(Paragraph 5.122)

Recommendation 31

The committee recommends that the Commonwealth government continue to fund adequately community online access centres.

(Paragraph 5.126)

Recommendation 32

The committee recommends that the Business Entry Point initiative include links to all government and other websites delivering online services, and that access to the initiative be made available through community online access centres and other similar facilities.

(Paragraph 5.130)

Recommendation 33

The committee recommends that the Commonwealth government work with state, territory and local governments, communities and carriers, to determine the extent of existing telecommunications infrastructure in regions through audits, so that this infrastructure is considered in the development of regional telecommunications solutions. (see also recommendation 10)

(Paragraph 5.132)

Recommendation 34

The committee recommends that the Commonwealth government target Networking the Nation funding to innovative regionally based projects that will expand internet access regionally and establish and/or extend

the provision of mobile telephony. Alternative infrastructure could include wireless local loops and microwave broadband networks.

(Paragraph 5.137)

Recommendation 35

The committee recommends that the Commonwealth government encourage carriers to accept their responsibilities in relation to:

- raising community awareness of services already available, particularly for business;
- raising awareness of service opportunities that could be negotiated; and
- identifying and facilitating training needs of businesses and industry groups.

(Paragraph 5.139)

Recommendation 36

The committee recommends that SBS TV transmission points should be able to share existing transmission towers, including mobile telephony towers.

(Paragraph 5.142)

Recommendation 37

The committee recommends that the Commonwealth government disseminate information about the Television Fund more widely throughout regional Australia, including to local government, industry and community groups.

(Paragraph 5.144)

Recommendation 38

The committee recommends that the Commonwealth government ensure that people living in regional areas have access to digital broadcasting services of the same level and quality as metropolitan areas as per the legislation.

(Paragraph 5.153)

Recommendation 39

The committee recommends that the Commonwealth government use the ISDN satellite service subsidy as a model:

- for assisting communities to receive existing free to air broadcasting services via satellite; and

- to provide access to digital services to communities which, because of their geographic location, would otherwise be unable to receive a future digital signal.

(Paragraph 5.159)

6 Information Technology - developing regional competitive advantage

Recommendation 40

The committee recommends that the Commonwealth government increase its efforts to raise community awareness about the opportunities and potential benefits offered by e-commerce to regional Australia by ensuring that:

- the Online Australia program publicises targeted information to specific industries and/or regional communities; and
- the Information Technology OnLine program receives sufficient funding.

(Paragraph 6.24)

Recommendation 41

The committee recommends that the Commonwealth government ensure that the Australian Electronic Business Network is publicised more widely in regional Australia and receives increased funding to enable wider delivery of its products, workshops and services across regional Australia.

(Paragraph 6.25)

Recommendation 42

The committee recommends that the Commonwealth government act swiftly to further enhance the environment for e-commerce in Australia by ensuring that:

- the National Electronic Authentication Council develops policy on authentication, encryption and related matters; and
- legislation on privacy protection is introduced as a matter of urgency.

(Paragraph 6.26)

Recommendation 43

The committee recommends that the Commonwealth government work with regional communities in every state and territory to develop projects to establish regional portals with in built e-commerce solutions, including security procedures such as the Secure Electronic Authenticated Link model.

(Paragraph 6.31)

Recommendation 44

The committee recommends that the Commonwealth government encourages state planning departments and departments of regional development to work cooperatively with local government to streamline planning approvals to ensure office space and other facilities are available for proposed regional call centres.

(Paragraph 6.37)

Recommendation 45

The committee recommends that the Department of Education, Training and Youth Affairs encourage TAFE colleges located in regions with call centre potential to work in partnership with the call centre industry to develop training programs in human resources and management appropriate to the industry.

(Paragraph 6.38)

Recommendation 46

The committee recommends that, through the Regional Telecommunications Infrastructure Fund, the Commonwealth government provides funding for trials of 'virtual call centres' in regional areas.

(Paragraph 6.47)

Recommendation 47

The committee recommends that more funding be made available through the Telstra Social Bonus to provide more opportunities for education and training in information technology for regional Australia in order that regional Australians can shape their own future.

(Paragraph 6.64)

Recommendation 48

The committee recommends that the Commonwealth government works with the states and industry, to expand online access programs for industries in regional areas with a view to making these available through community access centres.

(Paragraph 6.74)

Recommendation 49

The committee recommends that the Commonwealth government continue to fund alliances between industry and regional post-secondary educational institutions through the Information Technology OnLine program.

(Paragraph 6.93)

Recommendation 50

The committee recommends that the National Office for Information Economy program, *Building IT Strengths*, set up to establish private sector-run incubators in each state and territory, should include a specific program focussed on regional Australia.

(Paragraph 6.99)

Recommendation 51

The committee recommends that the Commonwealth government showcase examples of successful development of community regional telecommunications networks to encourage development of community networks throughout regional Australia.

(Paragraph 6.103)

7 TRANSPORT**Recommendation 52**

The committee recommends that the Commonwealth government, in conjunction with state and territory governments, continue to:

- adjust road user charges as judiciously as possible to reflect the cost of providing roads to users; and
- explain to road users the changes that are occurring.

(Paragraph 7.46)

Recommendation 53

The committee recommends that the Commonwealth government consider borrowing to finance major road infrastructure when other sources of funds are not available.

(Paragraph 7.50)

Recommendation 54

The committee further recommends that the Department of Transport and Regional Services, in cooperation with The Treasury, develop criteria for assessing road projects to be considered for funding by borrowing.

(Paragraph 7.51)

Recommendation 55

The committee recommends that three cents per litre of the excise collected from fuel sales be preserved for expenditure on transport infrastructure. Of this three cents, two cents per litre should be devoted to the construction and maintenance of regional roads.

(Paragraph 7.58)

Recommendation 56

The committee recommends that the Auditor-General, in conjunction with state and territory auditors-general, examine, report and make recommendations on the operation of road BOOT schemes, and develop a best practice guide for BOOT schemes.

(Paragraph 7.72)

Recommendation 57

The committee recommends that the Commonwealth government encourage state and territory governments to support regional planning for roads by consortia of regional stakeholders. (see also recommendations 5 and 7)

(Paragraph 7.89)

Recommendation 58

The committee recommends that the Commonwealth government respond without further delay to the recommendations made in 1997 by the House of Representatives Standing Committee on Communications, Transport and Microeconomic Reform in its report, *Planning not Patching: An Inquiry into Federal Road Funding*.

(Paragraph 7.92)

Recommendation 59

The committee recommends that the Commonwealth government work with the Tasmanian government and the private sector in implementing the Bass Strait Sea Passenger Equalisation Scheme as soon as possible.

(Paragraph 7.98)

Recommendation 60

The committee recommends that the government respond without further delay to the recommendations:

- in the 1997 House of Representatives Standing Committee on Communications, Transport and Microeconomic Reform report, *Tracking Australia: An Inquiry into the Role of Rail in the National Transport Network*;
- in the Productivity Commission's report, *Progress in Rail Reform*; and
- in the Rail Projects Taskforce report, *Revitalising Rail: The Private Sector Solution*.

(Paragraph 7.164)

Recommendation 61

The committee recommends that the Commonwealth government work with state and territory governments to encourage full competition in the delivery of ports services.

(Paragraph 7.195)

Recommendation 62

The committee recommends that the Commonwealth government ensure that, where reliable alternative service provision is lacking, essential air services to regional and remote communities are maintained.

(Paragraph 7.203)

Recommendation 63

The committee recommends that:

- the Australian Competition and Consumer Commission investigate charges at regional airports;
- the Commonwealth government investigate, through its agencies, whether appropriate regulations are being applied to regional airports; and
- the Commonwealth government work with the states, territories, communities and the private sector to facilitate and coordinate future

investment in aviation infrastructure, and to ensure continued access to and maintenance of strategically located regional airports.

(Paragraph 7.212)

Recommendation 64

The committee recommends that the Commonwealth Department of Transport and Regional Services:

- increase its efforts to facilitate resolution of logistics issues associated with international air freight; and
- work with state and territory governments and the private sector to facilitate development of an integrated, dedicated international airfreight industry.

(Paragraph 7.220)

Recommendation 65

The committee recommends that the Commonwealth government work with state governments, businesses, industry and communities to encourage the establishment and development of intermodal transport hubs in regional areas.

(Paragraph 7.248)

Recommendation 66

The committee recommends that the Commonwealth government extend the successful 'Supermarket to Asia' strategy to other parts of the world, and increase the funding and resources for the program.

(Paragraph 7.253)

Recommendation 67

The committee recommends that the Department of Transport and Regional Services work with agribusiness, the tertiary education sector and communities to develop targeted programs to provide business and marketing skills for people involved in the agrifood industry.

(Paragraph 7.254)

Recommendation 68

The committee recommends that, through the Council of Australian Governments, and under the leadership of the Department of Transport and Regional Services, the Commonwealth government work with the states to develop an integrated, national, sustainable transport infrastructure strategy covering all modes. Implementation of the strategy should result in development of a seamless, efficient national transport infrastructure network.

The strategy should provide for flexible allocation of funds and not be dependent on existing or historical transport funding precedents. (see also recommendations 7 and 10)

(Paragraph 7.263)

8 ENERGY

Recommendation 69

The committee recommends that the Commonwealth government, in conjunction with state and territory governments:

- monitor the impact of energy reforms to ensure that infrastructure is provided that will adequately supply projected demand in the long term; and
- identify energy projects that need financial assistance to supply appropriate infrastructure for long term regional development.

(Paragraph 8.62)

Recommendation 70

The committee recommends that the Commonwealth government work with the state and territory governments to develop coordinated planning of energy infrastructure and the integration of these plans with those for infrastructure for other services.

Particular attention should be paid to planning for a national gas pipeline network.

(Paragraph 8.67)

Recommendation 71

The committee recommends that the Commonwealth government, in conjunction with state and territory governments, review and streamline the regulatory regime that applies to the energy market and recommend improvements to its efficiency, including:

- simplifying the regulation; and
- expediting regulatory decisions by, among other measures, providing additional resources for the Australian Competition and Consumer Commission, the National Competition Council and the Australian Competition Tribunal to improve the speed at which appeals are heard.

(Paragraph 8.71)

Recommendation 72

The committee recommends that the Commonwealth government work with state and territory governments to develop national uniform requirements in relation to the environmental impacts of infrastructure development. (see also recommendations 5 and 7)

(Paragraph 8.73)

Recommendation 73

The committee recommends that the Commonwealth government develop measures that reduce the uncertainty due to international environmental obligations to reduce greenhouse gas emissions, including:

- the early establishment of an emissions trading scheme; and
- early indication to industry of future requirements for emissions reductions.

(Paragraph 8.76)

Recommendation 74

The committee recommends that the Commonwealth government continue to fund renewables R&D, commercialisation, venture capital, and subsidies to customers beyond the anticipated four years.

(Paragraph 8.92)

9 Education**Recommendation 75**

The committee recommends that the Commonwealth government:

- review its response to the report by the House of Representatives Standing Committee on Environment, Recreation and the Arts on the funding of community sporting and recreational facilities; and
- advise the House of progress in encouraging the sharing of school facilities in regional and remote communities.

(Paragraph 9.30)

Recommendation 76

The committee recommends that the Department of Education, Training and Youth Affairs place greater emphasis on providing vocational education and training for Year 11 and 12 students in regional areas.

(Paragraph 9.35)

Recommendation 77

The committee recommends that the Commonwealth government ensure that reliable and inexpensive internet connection is available to all schools in rural and regional Australia. (see also recommendation 28)
(Paragraph 9.49)

Recommendation 78

The committee recommends that the Commonwealth government:

- review and extend its financial assistance programs for rural and remote students with a view to increasing secondary school participation and completion rates in regional Australia; and
- ensure that the distribution of funds from programs such as the Country Areas Program is in accordance with Commonwealth criteria.
(Paragraph 9.66)

Recommendation 79

The committee recommends that the Commonwealth government takes greater account of the contribution by regional universities and TAFEs to regional economic development and redress the disadvantage suffered by regional institutions by increasing regional tertiary and vocational education and training funding.
(Paragraph 9.108)

Recommendation 80

The committee recommends that the Department of Family and Community Services amend the Youth Allowance criteria to increase the discount for farm and business assets under the family assets test from 50 per cent to 100 per cent for students from rural and remote areas.
(Paragraph 9.112)

Recommendation 81

The committee recommends that the Commonwealth government review the telecommunications regulatory arrangements applying to AARNet and remove barriers to the shared use of facilities between universities and TAFEs in rural and regional areas.
(Paragraph 9.120)

Recommendation 82

The committee recommends that the Commonwealth government establish a telecommunications trust fund for higher education with sufficient funds to subsidise regional universities for their broadband data expenses for three to five years. (see also recommendation 34)
(Paragraph 9.126)

10 Water resources**Recommendation 83**

The committee recommends that:

- the Commonwealth government work with the state and territory governments, the private sector and communities to identify water infrastructure development that would ensure sustainable regional development; and
- the Council of Australian Governments adopts the assessment processes for water infrastructure development proposals outlined in the report by the National Land and Water Resources Audit. (see also recommendation 10)

(Paragraph 10.103)

Recommendation 84

The committee recommends that the Commonwealth government, in consultation with state and territory governments, local government, industry, environment and community groups, develop a national plan for water infrastructure that includes identifying key investment priorities. (see also recommendations 5 and 7)

(Paragraph 10.111)

11 Health**Recommendation 85**

The committee recommends that the Commonwealth government allocate a percentage of provider numbers to regional geographic areas.
(Paragraph 11.18)

Recommendation 86

The committee recommends that the Department of Health and Aged Care develop incentives to attract dentists, visiting medical specialists and allied health professionals to regional areas.

(Paragraph 11.19)

Recommendation 87

The committee recommends that the Department of Health and Aged Care work with state and territory governments to review patient assistance travel schemes, particularly in relation to eligibility criteria, escorts, return travel, cross-border issues, pre-payment and access to allied health, dental and other non-medical services.

(Paragraph 11.24)

Recommendation 88

The committee recommends that the Department of Health and Aged Care:

- provide funding for appropriately located telehealth facilities; and
- approve Medicare payment for telehealth services.

(Paragraph 11.32)

Recommendation 89

The committee recommends that

- the accreditation process for aged care facilities be made more flexible; and
- a new version of the Aged Care Assessment Team assessment formula be developed for regional areas.

(Paragraph 11.45)

Recommendation 90

The committee recommends that the Department of Health and Aged Care work with state and territory governments, local governments, communities and health professionals to assist with redevelopment of health services in regional communities by:

- facilitating establishment of Multi Purpose Services or similar models;
- improving coordination and cooperation within and among agencies and jurisdictions; and
- supporting and encouraging the development of community leadership to ensure local involvement in and ownership of regional health solutions.

(Paragraph 11.56)

Recommendation 91

The committee recommends that the Commonwealth government extend the services provided by nurse practitioners in regional areas.

(Paragraph 11.57)

Recommendation 92

The committee recommends that the Department of Health and Aged Care:

- develop partnerships with the private sector to fund and develop tertiary training and placement for health professionals, including medical practitioners, nurses, pharmacists, health service managers and other health professionals; and
- extend the rural medical scholarship scheme to cover all health professionals.

(Paragraph 11.64)