



ROYAL FLYING DOCTOR SERVICE
OF AUSTRALIA
1928 – 2008

14 July 2008

Committee Secretary
Standing Committee on Infrastructure, Transport, Regional Development & Local Government
PO Box 6021
House of Representatives
Parliament House
CANBERRA ACT 2600
AUSTRALIA

Inquiry into a New Regional Development Funding Program

Dear Committee Secretary

I refer to your current Inquiry into a New Regional Development Funding Program, and, as an interested party make the following submission as CEO of the Royal Flying Doctor Service of Australia (Central Operations) Incorporated.

With respect to your terms of reference the following information is submitted for consideration:

1. Provide advice on future funding of regional programs in order to invest in genuine and accountable community infrastructure projects.

The RFDS Central Operations has been a past recipient of funding under your program. The funding was applied to the design and development of a state of the art RFDS facility at Port Augusta Airport. The facility is considered to be leading edge design providing transfer of health patients, delivery of Primary Health Care and was designed to accommodate all RFDS Central Operations activities undertaken at Port Augusta under the one roof. RFDS Central Operations base at Port Augusta offers local employment opportunities and provides important health services to the immediate and wider community. The receipt of funding under the program provided a valuable impetus for our base development

Future funding should also be directed to projects that are aimed at the retention of business and service providers within local communities and the maximization of employment in a region. RFDS Central Operations has been able to achieve this aim (at its Port Augusta base), with the added benefit of providing flow-on services to the wider community.

2. Examine ways to minimize administrative costs and duplication for taxpayers.

The administration and reporting requirements that must be observed following receipt of funding under the Regional Development Funding Program are detailed. The various reporting formats required by the funding authority do not allow any scope for change to the accounting presentation of funds outlaid under a specific program. Analysis of expenditure between a capital purchase and other designated allocation areas is inflexible. The format for presentation of financial statements at the conclusion of the project could be amended to allow the information to be presented in a manner that is representative of generally acceptable

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accounting reports. A recipient, having been approved for receipt of grant funds could be excused from having to lodge a myriad of periodic reports – one independently audited report at the conclusion of the project should suffice, otherwise funding for the project could be expended to account for reporting and administrative costs of the program.

Accountability for funds administered under the program need not be impaired by a reduction in the quantum of interim reports, provided the initial scoping of programs, and the departments' program assessment parameters are suitably robust, and the external audit process is maintained.

- 3. Examine the former government's practices and grants outlined in the Australian National Audit Office report on Regional Partnerships with the aim of providing advice on future funding of regional programs, AND**
- 4. Examine the former government's practices and grants in the Regional Partnerships Program after the audit period of 2003-2006 with the aim of providing advice on future funding of regional programs.**

Recent funding provided to the RFDS Central Operations assisted with the design and development of a state of the art aero-medical health base in South Australia. The facility services the greater northern areas of outback South Australia providing retrieval services, primary care clinics, inter-hospital transfers and community health initiatives throughout the region.

The RFDS Central Operations supports ongoing regional funding under the program specifically aimed at the improvement of regional services and community infrastructure. This is particularly so where the program under consideration provides employment opportunities during any applicable construction phase and ongoing opportunities via management and administration of the programs' planned outcomes.

Conclusion:

It is the RFDS Central Operations opinion that the Regional Development Funding Program should be maintained. The provision of funding in support of community development programs, that otherwise may fail due to lack of financial support is vital to the sustained development and growth of rural communities. All too often rural Australia is overlooked as a beneficiary of government funding initiatives. This program is one avenue whereby government is able to contribute to the retention of community in rural Australia, and provide the financial support for its continued economic sustainability.

Yours faithfully



John Lynch
Chief Executive Officer

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