

Committee Secretary  
Standing Committee on Primary  
Industry and Regional Services  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Sir/Madam

Please accept this letter as a submission to the Committee inquiring into infrastructure and the development of Australia's regional areas, from the Wheatbelt Area Consultative Committee Inc.

Addressing the terms of reference:

•Deficiencies in infrastructure which currently impede development in Australia's regional areas.

The key regional issues for the Wheatbelt revolve around maintaining sustainable communities that are of sufficient size to provide a level of services that enable residents to enjoy an appropriate lifestyle.

The current issue that is impeding and in some cases undoing or reversing development in regional areas is the lack of specialist medical services and allied health care, eg doctors, physiotherapists, speech pathologists, occupational therapists, nurses etc.

Many medical professionals do not wish to reside in the Wheatbelt and take up positions in more attractive locations along the coast.

Although attracting health professionals is not an infrastructure issue, it does affect the delivery of funds to infrastructure maintenance and development. Local Government is forced to offer large financial incentives to attract doctors, which reduces the operating budget of Councils and subsequently less is spent on maintaining and developing roads and infrastructure.

The other major issue affecting regional development in the Wheatbelt is the closure of local banks.

These two negative issues have been publicised widely and this publicity adversely affects the decisions of people planning to move to the Wheatbelt, set up business and reside here.

Population decline and the reduction in the number of businesses in Wheatbelt towns, combined with improvements in transport and communications have resulted in increasing proportions of expenditure occurring outside the communities. A reduction of expenditure leakages can only increase the possibilities for local business and employment.

In the "Living in the Regions-Wheatbelt report" (attached) prepared by Patterson Market Research for the WA Department of Commerce and Trade, Regional Development Council, Ministry for Planning and Regional Development Commissions, only 24 per cent of respondents were prepared to agree that modern communications were a problem in the area. However this was above the state regional average of 19 per cent.

It is my understanding, through community consultation, that any problems in communications relate to response and repair time by Telstra and other service providers, and trouble with clear lines for modems, phones, facsimile machines and other communication equipment. There is also a technical problem that means that as the distance from the exchange increases data speed and clarity decrease. Of course, this is not a problem in the metropolitan area but in the country this can be a major hindrance in getting rural properties "online". The other serious issue is that there is a real need to update the "universal Service Obligation" so that it includes data speeds.

The mobile 'phone range is also not adequate in the Wheatbelt with service available only around major towns, (some only 10km from major towns) and not all the way along major roads such as the Great Eastern and Great Northern Highways.

- The potential for development in regional areas.

Between the 1991 and 1996 censuses the population of the Wheatbelt declined by 0.3 per cent. Since then I believe you will find that not only has the population of the Wheatbelt actually increased but that for the first time ever the population growth in regional WA is greater than the population growth in the metropolitan area. Explanations to do with the comparative timing of the censuses do not diminish the seriousness of this trend. The fact that, during this time, there was a natural population increase and quite significant increases in population in the western shires suggests that reversing migration from the Wheatbelt is the most serious challenge facing the region. I believe this has already commenced, albeit at a slow crawl.

The population of the Wheatbelt is ageing. The 15 to 29 year age groups have a low proportion of people when compared to other regions and all of Western Australia, whilst the 55 to 69 age groups are comparatively larger. There are numerous challenges arising from this. Providing education and training opportunities for young people is an identifiable strategy, yet maintaining and improving access is increasingly difficult in the light of demographic realities.

Hidden unemployment is a significant regional issue. Part time employment is growing while the number of full-time positions is declining. Females are increasing as a proportion of the workforce in the Wheatbelt due to total numbers of women in the workforce remaining relatively static while the number of men has fallen. The proportion of women in part time work is more than twice that of men. Almost half of the women in the workforce work part time, while most men work full time.

There is a strong perception that there are too many disincentives to employment. Ninety seven per cent of Wheatbelt businesses employ one person or less. We also have the classic regional and rural problem of "exporting" our unemployment, especially our young unemployment, to Perth. If they cannot get a job, they go to Perth. But all indications are that if there was work available in the region many would be happy to return. By exporting our unemployment our figures also "show" as lower than they should be. At times this works against us accessing funds allocated for high unemployment areas.

Unemployment of Aboriginal people and youth remain significantly higher than for the rest of the population. Specific targeted programs need to be further developed to meet the needs of these groups.

There are many opportunities in the Wheatbelt for economic and employment growth. Key opportunities include:

The rapid growth of the western and coastal parts of the region.

Increasing efficiencies in agriculture.

Increasing opportunities to develop value adding to the region's output.

Increasing diversification of agriculture.

The potential to develop a significant horticultural industry.

The development of aquaculture and fishing industries.

The potential of the mineral industry to create employment, especially nickel.

The establishment and development of Meenar Industrial Park.

Increased tourism possibilities.

Expanded and improved educational services.

These opportunities have the potential to positively address the challenges presented by the key regional issues.

Another major opportunity is that of the "online" economy. E-commerce, the Internet and the like, hold many opportunities to open up markets to regionally based businesses and to attract new businesses to the "country" as the geographic location is not important in this industry sector. Of course the online economy also has threats for regionally based businesses. This is another reason that region and rural people should not be disadvantaged through access to inferior telecommunications infrastructure.

•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.

**Energy**-new customer charters for Western Power have improved response time for repairs and servicing.

**Transport**-Negligible public transport exists between small towns and larger regional centres. The Prospector train between Perth and Kalgoorlie needs upgrading. The timetable has been altered to include more customer friendly times to Perth and back.

**Telecommunications**-improved mobile service area in the first instance along all major roads. After all if you have an accident 400km from the nearest town, a mobile phone would be of a great deal more use than if you had an accident in middle of St George's Terrace. See also comments above regarding telecommunications infrastructure. There needs to be work done on overcoming the problem of decreased and poor data speeds and quality as you move away from exchanges. The USO needs to be updated to ensure that all Australians regardless of location have access to the full suite of facilities available through the online revolution.

**Water supplies**-some people believe the further you are from Perth the more chlorinated the water is as it has traveled along the pipeline. I am unaware of any studies that confirm or reject this.

**Educational facilities**-Air conditioning in schools is becoming more important as temperatures rise in summer. School bus routes have been reduced in some areas. However people in the Wheatbelt were the most satisfied of all regions with the schooling solution they had chosen for their high school children, according to the Living in the Regions Wheatbelt report.

This is despite the fact that the Wheatbelt has one of the lowest incidences of high school children able to live at home and commute to school.

**Health facilities**-Facilities are adequate but specialist services are not. Further, lack of adequate facilities for the aged will contribute to families leaving the Wheatbelt.

**Financial services**-Banks have closed in many small towns. Post offices which act as banking agents only carry limited cash.

•The extent to which infrastructure development would generate employment in regional Australia.

Eight out of 10 respondents in the "Living in the Regins-Wheatbelt report" agree the region needs a wider range of job opportunities.

This was well above the state regional average which suggests that people in the Wheatbelt are keen to see developments which encourage a diversity of skills.

The Wheatbelt also had the highest proportion who felt there were not enough career opportunities for people with higher education. The region has a long tradition of sending its children away to boarding schools in Perth and it was noticeable that the lack of local career opportunities for well educated (often tertiary educated) children causes an element of dissatisfaction among parents.

Eighty five per cent agreed the Wheatbelt needs new development to provide more jobs. This was the highest of the state regions.

People living in the Wheatbelt towns conclude that the economic future of the region lies in the development of a wider economic base, with a more sophisticated economy to provide meaningful employment opportunities for the better education generations of today and tomorrow.

There is a need for a further stage in development to provide greater depth of employment opportunities, preferably less affected by the agricultural economic cycle than the current economy.

Using the rail transport system, towns like Merredin believe this should be used for downstream processing of the bulk wheat which is now simply freighted out of the area.

•The role of the different levels of government and the private sector in providing infrastructure in regional areas.

There are 44 local government areas consisting of 42 shires and the two town councils of Northam and Narrogin, in the Wheatbelt.

Operating budgets for Local Government and general purpose grants have been decreasing over recent years. This has resulted in less money being spent on infrastructure and it appears that this trend will continue.

Many Wheatbelt Shire Councils have yet to embrace the Internet and e-mail system. Local government is also constantly pressured to take on more diversified roles. This tends to move them away from their core duties of roads, rates and rubbish and therefore at times away from their infrastructure provision role.

The WA State Government assists with the provision of regional infrastructure through many funding schemes. Two examples are the Regional Headworks Development Scheme (RHDS) and the Regional Airports Development Scheme (RADS). The RHDS offers grants and loans to overcome the higher cost of providing water, power, drainage, sewerage and telecommunications to regional projects. The RADS provides funding to upgrade regional airports. Any initiatives from the Federal level should be designed to complement and work in with State government initiatives. They should not reinvent the wheel. The WA State government has nine regional Development Commissions that cover all of regional WA. These bodies are

charged with the responsibility to improve the economy of their region and work with all levels of government and the private sector to achieve this aim.

- The benefit to the national economy of developing regional infrastructure.

Australia is one of the most "centralised" communities in the World. We have the huge comparative advantage of almost unlimited space and yet we do not use it to any where near it's full capacity. The provision of high quality infrastructure to regional Australia will assist to open up this great land of ours. Better roads will mean more people (Australian and internationals) will visit more parts of Australia. Better water and power supplies will allow for greater value adding and diversification of our agricultural economy - we still tend to export our raw produce and then buy back products made with it! Better telecommunications is essential if we are ever going to move from a "lucky country" to a "clever country".

I confirm the abovementioned attachment will be forwarded in the mail with a copy of this submission.

Please contact myself at your earliest convenience should you require any further information.

Yours faithfully

Lisa Shreeve  
Executive Officer  
Wheatbelt ACC  
April 13 1999