



**Department of
Communications
Information Technology
and the Arts**

our reference

Ian Dundas
Secretary
House of Representatives Standing Committee on
Primary Industries and Regional Services
Parliament House
CANBERRA ACT 2600

**INQUIRY INTO INFRASTRUCTURE AND THE DEVELOPMENT OF
AUSTRALIA'S REGIONAL AREAS**

Your memorandum of 17 August refers.

Further to this Department's appearance before the Committee on Monday, 27 September, I enclose a copy of our up-dated (supplementary) submission. Our original submission was lodged with the Committee in May.

Trevor Wykes
A/g Manager
Coordination Unit

24 September 1999

**HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON PRIMARY
INDUSTRIES AND REGIONAL SERVICES
INQUIRY INTO INFRASTRUCTURE AND THE DEVELOPMENT OF
AUSTRALIA'S REGIONAL AREAS**

Supplementary Information provided by the Department of Communications,
Information Technology and the Arts

- Appearing before the Committee on Monday 27 September 1999

DIGITAL DATA SERVICE OBLIGATION PROVISIONS

Following the presentation of the Department's submission, legislative amendments have been made to fulfil the Government's commitment prior to the 1998 election to strengthen the universal service obligation.

The amendments inserted new provisions into the *Telecommunications (Consumer Protection and Service Standards) Act 1999* to include a separate 'digital data service obligation' within the overall universal service regime. The amendments provide for a 'general digital data service' to be provided by a 'general digital data service provider' in areas specified by a Ministerial determination. This is the ISDN equivalent service that the Government committed to make available to at least 96 per cent of the population.

A 'special digital data service' is also to be provided by a 'special digital data service provider' in areas specified by Ministerial determination. This digital data service will provide a comparable 64 kbps data delivery service to the 4 per cent of the population unable to receive an ISDN service.

The amendments provide for funding arrangements enabling a subsidy to be paid for up to 50 per cent of the cost of equipment necessary to receive the 'special digital data service'. This subsidy will be funded by the industry as part of the new universal service levy arrangements.

The amendments also impose regulatory obligations on digital data service providers which mirror those applying to universal service providers, including obligations to prepare digital data service plans.

FURTHER SOCIAL BONUS SPENDING

The following initiatives, targeted at regional Australia, were announced by the Government in 1999 as a further contribution to the social bonus package:

Building Additional Rural Networks (BARN) - \$70 million

The Government will expand the highly successful Networking the Nation program to

promote ongoing, self-sustaining improvement in the service, quality and price of regional telecommunications services. Total funding will be \$70 million. Of that, \$10 million will be allocated to each of the states and \$10 million for the territories.

The program will involve working with State and Territory Governments and regional communities with a view to aggregating demand for telecommunications services in regional areas and therefore improving the commercial case for enhanced services. It will promote innovative solutions for service delivery (e.g. wireless and satellite) and provide scope for new commercial entrants to offer services to regional Australia and thereby enhance competition in these areas.

Networking the Nation Local Government Fund - \$45 million

The Government will make available \$45 million for a Local Government Fund to be administered under the auspices of the highly successful Networking the Nation program. The Fund will be used to assist local government authorities in regional Australia to provide online access to their own information and services and public points of access to advanced telecommunications services such as the internet. Each state will receive funding of \$6 million; \$6 million will be divided among the territories; and the remaining \$3 million will be maintained in a national pool. The detailed program guidelines will be developed in consultation with the Commonwealth portfolio of Transport and Regional Services, State and Territory Governments, and Local Government Associations.

Expanded mobile phone coverage - \$3 million

The Government will provide an additional \$3 million to expand mobile phone coverage in major regional centres in South Australia, Western Australia and Tasmania, with \$1 million per state. These funds will supplement the \$25 million provided for mobile phone coverage on major highways in the social bonus announced before the Federal Election, which will be mainly spent in the other states.

Trials in Innovative Government Electronic Regional Services (TIGERS) - \$10million

The Government Information Centre (GIC) is currently being trailed in Launceston. An additional \$10 million will be provided to extend the trial to a range of innovative means of delivering government services over the internet, through call centres and over-the-counter facilities (supported electronically) with an emphasis on regional and remote areas. A key objective of the trials will be the integration of services across the various tiers of government, building on the success of Service Tasmania. The TIGERS program will be integrated with the 'Intelligent Island' program to maximise local Tasmanian involvement in the development of innovative government service delivery solutions. More detailed information on the TIGERS program appears at pages 6-7.

Connecting Tasmanian Schools - \$15m

The program, with a total budget of \$48 million, will establish local area, and wide area, networks linking Tasmanian schools, and will provide additional computers and support equipment for the state's government and non-government schools. In addition to the

Commonwealth's contribution of \$15 million, Telstra will provide \$5m and an additional \$12m will be allocated from Tasmania's existing Networking the Nation allocation. The Tasmanian Government is expected to provide the final \$16m. The computers and networks provided will be equipped with appropriate filtering technology to protect children from exposure to unsuitable material.

Launceston Broadband Project - \$15 million

The Commonwealth's \$15 million contribution to the Launceston Broadband Project will be matched by \$15 million from Telstra.

The project comprises three elements:

- establishment of a Telstra Multimedia Development Laboratory. This facility will employ up to 25 staff and will commercialise broadband applications which have reached the stage of being viable in a laboratory setting;
- construction of a broadband network in Launceston to service up to 5,000 customers. The network will use advanced internet infrastructure technology offering connection speeds of at least 64 kilobits per second. This will provide immediate benefits to Launceston residents as well as providing a "large scale laboratory" to develop and test a wide range of broadband products and services; and
- establishment of a Business Development Fund. The Fund will assist smaller and start-up companies wishing to access the Launceston Broadband Network to develop broadband based products and services. Telstra will provide support, training, commercialisation assistance and linkages with research institutions and equipment manufacturers.

Intelligent Island - \$40 million

Intelligent Island is the Tasmanian component of the national Building IT Strengths (BITS) program which will promote the growth of new and developing innovative Australian IT & T businesses.

The Intelligent Island program will be overseen by a Board comprising representatives of Government, industry and the Tasmanian tertiary education sector. It is envisaged that elements of the program will include a business incubator program, funding for IT research and training, multimedia and e-commerce centres of excellence and training, funding to assist commercialisation of IT & T research and development in Tasmania and investment in bandwidth infrastructure.

Television Fund - \$120 million

The Government has announced that a five year, \$120 million Television Fund will be established, from the proceeds of the sale of the next 16.6% of Telstra. The Television fund will:

- Fix between 200-250 television reception black spots around the country;

- Extend SBS television to transmission areas with a population over 10,000;
- Provide \$10m funding to broadcast self-help communities in remote areas so they can access a second terrestrial commercial television signal; and
- Assist SBS to establish a "New media Unit".

The SBS will be responsible for managing the roof its television services to coverage areas above 10,000. It is anticipated that the first SBS extensions will be installed and services operating by the middle of the year 2000, although the timing will be influenced by a number of factors, particularly where high-power transmission infrastructure is involved.

Concerns about reception of SBS services can be directed to Mr Hugh James (Manager Transmission Services) on 02 9430 3172. The ABC has established a 'hotline' (1300 13 99 94) for reporting transmission and reception problems.

The program guidelines for the Black spot component are yet to be formulated; the same applies to the remote commercial component. Both of these components are being administered by the Department of Communications, Information Technology and the Arts. For information, contact:

The Manager
TV Fund Unit
Department of Communications,
Information Technology and the Arts
GPO Box 2154
CANBERRA ACT 2601
email: television.fund@dcita.gov.au
phone: 02 6271 1000

NATIONAL BANDWIDTH INQUIRY

The Government has established the National Bandwidth Inquiry to examine the issues of bandwidth availability and pricing and to assess capabilities of the Australian communications networks to deliver adequate infrastructure support for a full information economy.

The inquiry is focussing on the 'backbone' data networks and links within Australia, and between Australia and other countries. It is investigating the current and future (1999-2000) availability of bandwidth, any constraints on that availability to meet current and projected demand and related pricing and market structure issues. The inquiry is particularly interested in the supply of, and demand for, bandwidth in rural and remote areas.

The Inquiry is being overseen by a sub-committee of the Australian Information Economy Advisory Council (AIEAC). AIEAC is expecting to report to the Minister on the Inquiry's findings by the end of 1999.

TIGERS

TIGERS is one of the Telstra Social Bonus projects announced by the Minister for Communications, Information Technology and the Arts, in June 1999.

The aim of TIGERS is to develop and trial methods to deliver government services over the Internet or through telephone call centres. TIGERS will also trial a series of over-the-counter “one stop shops” where services in country towns can be delivered face-to-face, facilitated by improvements in electronic facilities. It will use existing Service Tasmania and Government Information Centre infrastructure.

The TIGERS program will be implemented over three years at an estimated cost of \$10 million.

Outcomes

The TIGERS program outcomes are:

- Integrated delivery of selected services across the three tiers of government;
- Consumers and businesses able to transact and obtain information with all levels of government;
- Improved access to government services for regional, rural and remote areas;
- Tasmanian ITT industry’s capability able to provide solutions, applications and services to support the national government online strategy;
- Infrastructure and management arrangements which can be applied in other jurisdictions; and
- Lessons learned from “real world” experience for further enhancements to government services in accordance with Investing for Growth industry statement.

Description

TIGERS program has four subprojects:

Integration of Government Call Centres - to service telephone inquiries related to Commonwealth, State and local Government services in Tasmania.

Linking Selected Commonwealth, State and Local Online Services - to provide a specific Internet point of entry based around life or business events, which enable clients to undertake “all in one” transactions with agencies (e.g. advise a change of address once and have this passed to all relevant agencies).

Pilot the delivery of selected over-the-counter Commonwealth services by States – enabling Service Tasmania to provide a range of Commonwealth services through the Statewide network of shop-fronts.

Government Electronic Satellite Trial - to trial and then implement satellite communications infrastructure supporting the delivery of online Government services and other benefits to regional communities.

Future Directions

Once evaluation has been completed it is envisaged that additional services would be rolled out in Tasmania, and work would start on transferring technology and lessons learned to inform the development of the national government online strategy.

Related Areas - TIGERS has strong links to other Social Bonus Programs such as BITS and Local Government Online.

THE FEDERATION CULTURAL AND HERITAGE PROJECTS PROGRAM

The Federation Cultural and Heritage Projects Program (FCHP) provided a total of a total of \$70.4 million from the Federation Fund to fund medium sized cultural and heritage projects throughout Australia. Under the FCHP support has been provided for **cultural and heritage projects** which are:

- principally capital works (including restoration and conservation) projects of a lasting nature;
- nationally significant; and
- appropriate to the Centenary of Federation.

The FCHP will generate considerable employment both in the construction phase and ongoing management. Regional tourism will benefit from the construction of new cultural facilities and the conservation and restoration of heritage sites.

A total of 741 applications for assistance under the FCHP were received requesting \$1,542,360,328. Sixty proposals were successful in their bid for funding, and these are being managed jointly by the Department of Communications, Information Technology and the Arts, and the Department of Environment and Heritage. Of these, 36 projects totaling \$45.025m are in regional Australia. These projects are listed below:

PROJECT NAME	AREA	AMOUNT
Community Gallery at Alice Springs Cultural Precinct	Alice Springs	\$2.300
Maryborough and District Entertainment/Cultural Centre	Maryborough	\$2.000
Greenhill Fort Restoration Project	Thursday Island	\$0.572
Townsville Maritime Museum federation Project	Townsville	\$0.936
National Oil and Gas Museum	Roma	\$0.900
James Cook Museum	Cooktown	\$2.300
Greenmount Homestead Conservation	Mackay	\$0.838
Tasmanian School of Fine Furniture	Launceston	\$0.460
Launceston Railway Workshops Museum Redevelopment	Launceston	\$1.000
Devonport Cultural Centre	Devonport	\$1.000
Conservation and Development of Clarendon Homestead Historic Site	North East Tasmania	\$1.000
Woolmers Heritage and Cultural Estate	Longford	\$0.700

Clunes Conservation Project	Clunes	\$0.548
Fairbridge Village Redevelopment Project	Near Pinjarra	\$2.000
New Art/Cultural Centre	Balgo Hills	\$0.500
Kojonup Federation Park Complex	Southern WA	\$0.650
Conservation of the Dalgety House Museum	Port Hedland	\$0.295
New Norcia Conservation, Design and Development	Western Australia	\$1.815
The Golden pipeline of Western Australia	Mundaring to Kalgoorlie	\$1.000
Midland Town Hall Conservation/Restoration	Midland	\$0.800
Tenterfield School of Arts Restoration	Tenterfield	\$2.750
Federation Riverina Celebrating the Centenary	Wagga Wagga	\$1.535
The Federation Family	NSW Statewide	\$4.780
The Byron Bay Community Centre Redevelopment	Byron Bay	\$1.000
Conservation and Restoration of the Norman Lindsay Gallery	Springwood	\$1.440
Wivenhoe Villa Conservation	Camden	\$0.370
Lithgow Industrial Heritage Park	Lithgow	\$1.500
Gilgandra Centennial Celebration of Federation	Gilgandra	\$1.000
Lady Denman Ferry Conservation Presentation	Huskysson	\$1.146
Hazlehurst Community and Regional Arts Gallery	Sutherland	\$1.000
Celebrating Federation and First Links Town Hall Conservation and Interpretive Centre – Glenelg	Holdfast Bay	\$1.500
The Warriparinga Interpretive Centre	Marion	\$1.450
Port Lincoln Civic Hall Redevelopment	Eyre Peninsula	\$1.000
National Wool Museum Collection Preservation	Geelong	\$0.630
Historic Towns Heritage Cultural Precinct	Beechworth	\$1.060
Sir John Quick Federation Project	Bendigo	\$1.250
TOTAL		\$45.025

VICTORIAN REGIONAL GALLERIES

The Commonwealth Government has allocated \$12 million from the Federation Fund to assist in the upgrade and expansion of 16 art galleries across regional Victoria.

- Bendigo Art Gallery - \$2 million for a further expansion of facilities, including upgrading galleries in the original building.
- Ballarat Fine Art Gallery - \$2 million for an expansion of the Gallery in the proposed "arts precinct" around Camp St, Ballarat
- Castlemaine Art Gallery and Historical Museum - \$2 million for an expansion and upgrade of facilities
- Geelong Art Gallery - \$2 million for a further expansion and upgrade of facilities in the "arts precinct"
- Shepparton Art Gallery - \$1 million for an expansion
- Latrobe Regional Art Gallery, Morwell - \$550,000 for an expansion

- McClelland Gallery, Langwarrin - \$500,000 for an expansion
- Mornington Peninsula Regional Gallery, Mornington - \$500,000 for an expansion.
- Benalla Art Gallery - \$500,000 for an expansion
- Mildura Arts Centre - \$350,000 for an upgrade of existing facilities to bring up to the standard required for travelling exhibitions
- Gippsland Art Gallery, Sale - \$180,000 for an upgrade of the existing three-year-old facilities to bring up to the standard required for travelling exhibitions
- Ararat Art Gallery - \$120,000 for an upgrade of existing facilities to bring up to the standard required for travelling exhibitions
- Horsham Regional Art Gallery - \$100,000 for an upgrade of existing facilities to bring up to the standard required for travelling exhibitions
- Hamilton Art Gallery - \$100,000 for an upgrade of existing facilities to bring up to the standard required for travelling exhibitions
- Swan Hill Regional Gallery - \$50,000 for an upgrade of existing facilities to bring up to the standard required for travelling exhibitions
- Warrnambool Art Gallery - \$50,000 for an upgrade of existing facilities to bring up to the standard required for travelling exhibitions

OTHER FEDERATION FUND INITIATIVES IN REGIONAL AUSTRALIA

Tasmania Symphony Orchestra Concert Hall	The Concert Hall is being built in Hobart as part of a new conference and convention facility. The Commonwealth has contributed \$1m towards a total cost of \$13m.	\$1.0 m
Gunnedah Performing Arts Centre	The Commonwealth has contributed \$1.625 towards the development of performing and creative arts studios, a sculpture courtyard and a theatre complex.	\$1.625 m
Naval Aviation Museum Nowra	The Naval Aviation Museum will receive \$1.6m to improve exhibition facilities and to enhance the collection of historic aircraft .	\$1.6 m
Tamworth Entertainment Centre	Contribution towards the construction costs of the entertainment centre, providing a venue for a diverse range of activities.	\$1.25 m
Australian Prospectors & Miners Hall of Fame, Kalgoorlie, WA	Develop the Hall of Fame	\$5.0 m
Australian Shearers' Hall of Fame, Hay NSW	Develop the Hall of Fame	\$4.66 m
Line of Lode Museum Broken Hill, NSW	Develop the Line of Lode Museum	\$4.625 m
Queensland Heritage Trails Network	The development of a series of Heritage Trails	\$50.0 m

Inveresk Museum and Art Gallery	Develop visitor orientation and services facilities as part of the Launceston Railway Workshops Museum Redevelopment Program.	\$1.5 m
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FEDERATION COMMUNITY PROJECTS PROGRAM (FCP)

On 6 July the Minister for the Arts and the Centenary of Federation announced in excess of 1,000 grants for small community based projects to every electorate under the FCP. Every member of the House of Representatives has assisted in the selection of these projects to a maximum value of \$200,000 per electorate.

By increasing Commonwealth investment in regional cultural infrastructure, the Government is achieving a central cultural policy objective – improving regional access to quality cultural experience. The upgrading of these facilities also increases access to other Commonwealth programs of assistance – such as *Playing Australia* and *Visions Australia*.