

**SUBMISSION TO HOUSE OF REPRESENTATIVES STANDING
COMMITTEE ON PRIMARY INDUSTRIES AND REGIONAL SERVICES**

ON

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

by

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REGIONAL DEVELOPMENT IN AUSTRALIA

Introduction

Regional development (or decentralisation) portfolios in Australia are not new. They have one thing in common, however, in that they have achieved *very little impact* over the decades of their existence. They have variously been reactive and particularly *ad hoc* in approach. They have been imposing from the bureaucracy based in the capital cities and have not had the sensitivities needed nor the local knowledge and understanding to implement sensible policies and have these policies accepted at the grass roots level.

In summary therefore, the failures of previous attempts are due to:

- (i) a collection of hotchpotch policies that lack an integrity or have any strategic base;
- (ii) a feeling that throwing money at projects solves the problems. Money must be provided but not in the *ad hoc* fashion or politically biased way of previous attempts;
- (iii) a centralised bureaucracy that has little contact with the regions, has no understanding of the needs nor the culture of rural Australia, and at best patronises the bush.

The Need For A Vision

My experience has failed to detect any political party having a clear vision of where regional Australia is going. Without the vision it is not possible to develop strategies to achieve it. The closest was the Whitlam “vision” of growth centres which, while fine in concept, seemed flawed in implementation and was probably politically motivated.

Without a vision, rural Australia will continue to decline and the metropolitan centres will continue to get larger and deteriorate in quality. Regional development needs to be bipartisan such that the vision is not changed with every change of government. Regional development is above politics – it is essential for the socio-economic development of the nation and must not be compromised by petty politics.

Let us be clear what the vision is. Currently, ambiguity reigns supreme and much lip service is paid to regional development, but to date no positive actions have been apparent – in fact the opposite has been the case where centralist policies from both sides, in the name of economic efficiency, have had an enormous negative impact on rural society. Governments of all persuasions really have to take the blame for the despair faced by rural people, the poor image of rural society and the disintegration of rural communities.

So: if economic rationalism is the only criterion, *please say it*;

if survival of rural society is totally the responsibility of rural people, *please say it* but apply the same expectation to city folk;

if maintenance of rural Australia is important, *please say it*;

if fair dinkum regional development is a clear, unambiguous vision then *please say it* and say it loudly and underpin it with clear policies that are well-developed, well understood and are owned by the rural people. I hope this is the aim of the Inquiry.

The Regional Policy Initiative

If regional development is the aim, then it is clear that there is a minimum level of infrastructure that is needed before business will be attracted to regional areas. These might be categorised into the business infrastructure and social infrastructure.

(a) Business infrastructure – a checklist needs to be drawn up to identify the minimum levels of infrastructure to be provided. This list would comprise:

- (i) telecommunications – for a company to survive in the new millenium it needs telephone access (increasingly, mobile phone reception) and quality of infrastructure for internet access. Currently, throughout inland Australia this infrastructure is unreliable and a major impediment to business development;
- (ii) transport – successive governments have dismantled rail services and thus caused a redirection of transport to roads with the consequent increased road damage bill and increased safety risk to motorists. Rail needs to be a priority for the new millenium. High speed rail brings the communities closer together. Straightening of existing freight lines would reduce the times involved and make it a more attractive proposition. Providing inland routes would also facilitate regional centres being able to work cooperatively;
- (iii) availability of services – successive Governments have removed services from regional centres. Thus, taxation, consumer affairs, finance institutions, etc, are now centralised and depend on STD charges to access. State and Federal Governments need to cooperate to service better the needs of the clients. The performance indicator for the Government is not how much money has been saved but rather how many businesses have been saved, how much employment has been generated, how much suicide has been prevented;
- (iv) R&D – businesses are reluctant to leave metropolitan areas because of their links to and dependence on R&D support. Little attempt has been made to bring real R&D to rural areas. Why, for example, is the CSIRO Food Research Division located in Sydney when most food production is rurally based? What other R&D agencies could be appropriately decentralised?

(b) Social infrastructure – this is usually an unrecognised component of the equation yet it is often the most significant in determining whether families of businesses will relocate from an area with good social infrastructure.

What then is the checklist of social infrastructure?

(i) Education – this would seem, with health provision, the leading issue. Access to quality education for children together with access to tertiary education is an imperative.

From a rural perspective, many of the policy decisions are from the metropolitan culture and make no allowance for the rural position. For school children, most activities are run in metropolitan areas which put an unfair financial burden on the families of those in the country. There are no longer regional offices of the Department of Education to ensure the needs and the problems of rural children can be addressed. It is a State Government matter but it is part of the problem.

There can be no doubt that rural Universities play an enormous role in the regional economy. They also make a most significant contribution to the culture of the region and support the R&D needs of the rural environment through thick and thin. Yet Governments do not provide funding that recognises the higher cost structure of these institutions – STD calls, travel costs, multicampus costs, even the need for financial incentives to attract the top staff. Further deregulation of education has enabled all institutions to enter the distance education market thus undermining the previous major providers which were largely rural-based Universities.

Rural Universities have never been allowed to provide high cost programs such as medicine or veterinary science despite the shortage of these professions in regional areas.

Research funding criteria are geared to metropolitan institutions where sharing of equipment/facilities programs preclude rural Universities from participating.

Current funding policies of the Coalition Government hurt regional institutions more than metropolitan institutions because there is very little buffer present to protect the rural institutions. The strength of rural institutions in other countries is a common phenomenon.

(ii) Health – this is a particularly critical issue. The infrastructure has been dismantled and doctors are difficult to attract. Health should never be only a financial issue. However, the creation of medical centres which combine hospital, aged care, doctor surgeries and ambulance in the one complex would provide savings – common facilities, shared receptionist, etc.

The AMA has much to answer for – that different States have different regulations is intolerable – that this organisation can prevent creditable doctors practising in rural areas when its own members refuse is hypocrisy at best and a scandal at worst. It would seem that medicine is the only profession largely funded by government that can dictate where it works. An over supply in metropolitan areas suggests that no more provider numbers be provided in those areas such that if the doctors want to practise they go

where the jobs are – every other profession does that. In addition, Governments have been very slow in creating a “training in the country for the country” opportunity.

Further, telecommunications technology is a must so that quality access to video links can bring specialists more readily in contact with patients on a needs basis.

(iii) Recreation facilities – the quality of life for families is an important issue. Therefore, access to appropriate recreation facilities, e.g. libraries, sports facilities, etc, may mean the difference between companies relocating or staying put. Further, in respect of sport, there is an equity issue about the opportunities for talented sports people to be able to achieve from the country and perhaps even remain in the country rather than having to dislocate from the family, as now happens.

An example of this is the availability of indoor aquatic facilities that allow year round exercise, training, and protection from skin cancer. These facilities are rare in rural areas at a time when drownings are at record levels.

THE WAY FORWARD

If progress is to be made it seems to me that the following need to be acknowledged:

1. that regional development is an imperative;
2. that economic efficiency does not work when the scale (i.e. the population base) is small, as it is in many centres;
3. that there is a will and a commitment to address the infrastructure issues on a systematic, non-political basis;
4. that this commitment is ongoing in the long term;
5. that social issues are equally as important as financial and physical issues;
6. that ownership of the decisions is a partnership between the rural people and the decision makers;
7. that natural advantage opportunities be capitalised on to ensure greater likelihood of success.

It seems to me that the best bet solutions relate to:

- (i) ensuring that the obvious regional centres have the necessary infrastructure – business, social and political – that then becomes available to a large proportion of rural Australia and is much closer to those outside the regional centres than has hitherto been the case. A review of the needs of each centre would be a start. In NSW there is a well established regional centre network based on Tamworth, Dubbo, Bathurst/Orange, Wagga Wagga, Griffith and Albury. Broken Hill and Moree/Narrabri probably also qualify;

- (ii) putting in place the infrastructure necessary for satellite communities in the larger catchment area of these regional centres to develop also. Currently the reverse is happening with smaller centres dying;
- (iii) decentralise the Department of Regional Development with reasonable delegation of authority so that the policy of the Department is generated from the regions rather than being dictated from Canberra or Sydney by uninformed, non-empathetic bureaucrats.

CONCLUSIONS

I wish the Committee of Inquiry well – however, unless there is real commitment, empathy and understanding it will go the way of past attempts at decentralisation and regional development. The rural community is angry and frustrated. The One Nation movement, with all of its faults, is not an aberration but a clear symptom of the country people under stress. The confidence of rural Australia needs a boost and the opportunity presents itself to do something positive and lasting. However, if the Inquiry is only window dressing, it will be treated with the contempt it deserves. I hope the Committee wants to achieve as much as the people of rural Australia want it to achieve.

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