

14 September 2017

Re: Select Committee on Regional Development and Decentralisation

Dear Sir or Madam:

Thank you for the opportunity of contributing to the discussion about the future of regional Australia.

My comments are focussed on Part a of the terms of reference, in particular:

“ best practice approaches to regional development, considering Australian and international examples, that support: ...

ii. the benefits of economic growth and opportunity being shared right across Australia;

iii. developing the capabilities of regional Australians;

iv. growing and diversifying of the regional economic and employment base;

v. an improved quality of life for regional Australians;

vi. vibrant, more cohesive and engaged regional communities;

vii. leveraging long-term private investment;...”

I am located in North East Victoria, on 50 acres and am an active member of Landcare and other community groups. I am particularly concerned that there are a significant number of both opportunities and challenges faced by rural and regional communities, and am not reassured by the current approaches.

A fundamental question is whether we wish to have people living and thriving in rural and regional Australia. While there is a bit of an assumption that we do, there is in my view no clear statement to that effect. Rather there are “parenthood statements” about the benefits of the regions. What appears to be missing is a lens that critically examines the impacts of policy decisions made by the federal government.

I will examine two areas as examples: The NBN and connectivity through mobile phones, and renewable energy.

NBN and connectivity

It has been extremely disappointing to see the shift to less optimal types of approaches with NBN. From an economic development point of view, the ability to have fast, reliable and

secure internet connection is a business imperative. I have had discussions with economic development officers in rural communities who have been approached by entrepreneurs with good businesses that could relocate to a different area, away from a capital city. One of the first questions asked is what sort of connectivity is available through the internet, both in terms of speed and band width. Unfortunately, the response continues to be that the standard service offered in rural communities is significantly below that of the well-connected urban areas. These potential businesses then do not relocate, taking their economic opportunities elsewhere.

It should also be noted that sophisticated, very expensive agricultural equipment and new technological advances are using systems such as GPS and other internet based tools to identify. Equipment is rendered useless when the internet connectivity fails. Economic development, financial returns and export dollars for the broader community are affected.

In terms of mobile phone coverage, the Committee is reminded that there continues to be significant areas of the country which have patchy or no mobile coverage: "Black spots". An example is the area of Leneva in Northern Victoria. This currently rural land area is well known to have both very poor radio coverage and mobile coverage. It is noted that this is also a planned growth area that will have an additional 35,000 people moving in over time.

The most critical part of the black spots with communication is that it can kill people. In times of bushfire or other crisis, people are unable to connect and provide advance warning and or identify routes to safety. It is argued that it is an economic health and safety imperative that mobile phone coverage is expanded and upgraded.

Renewable Energy

Renewable energy in rural and regional areas offers a significant economic opportunity for communities. A vibrant, decentralised and particularly community owned renewable energy systems contributes to points (ii) to (vii) of the terms of reference.

Currently the centralised large scale energy system is inefficient and vulnerable. Long distribution lines mean that when there is hot weather, extreme events or bushfires the distribution system can fail. This leaves businesses and communities vulnerable. In Victoria, much of the electricity is currently generated within the La Trobe Valley and then distributed through major power lines. There is a considerable risk that the electricity can be disrupted, particularly during bush fires.

To give a more local example, I am on a SWER line: Single Wire Earth Return. My electricity provider has advised that in a period of high temperature or bushfire risk they may turn the power off. This does not constitute a good service for consumers. In households where there are health issues, small children or people with respiratory issues, this type of action can be disastrous, particularly during heat waves.

Extended lines also mean that there is loss through the transmission. Businesses and communities are paying for inefficient distribution.

There have been a number of excellent community initiated distribution energy systems, and initiatives to encourage renewable energy. In Victoria, Totally Renewable Yackandandah is run by volunteers. They have been working with the community of Yackandandah on a range of initiatives to have the town running on totally renewable energy by 2022. More information is available at <http://totallyrenewableyack.org.au/>

The ability of regional and rural communities to develop their own renewable energy systems through distributed energy and other exciting initiatives does a number of positive things. It increases economic resilience and profitability through the community. With a community owned system, for example, profits stay with the investors rather than being sent to owners elsewhere, including overseas companies. It reduces costs in that the transmission costs are not expensive. The distributed energy systems also increase resilience.

Finally, there is an opportunity for businesses to generate more income. There is significant opportunity for farmers to be able to add value to their businesses through generation of energy. Solar energy reducing the costs of electricity generation on the property is one example. With the rapidly decreasing costs of batteries there is an opportunity to ensure supply to individual households and farm businesses, reducing the threats of disruption to energy supplies, and reducing costs. In my view, farmers should be encouraged to have wind towers or solar farms on their properties, and receive additional income. It is unfortunate that many great initiatives in this area have been community led and operate in the face of considerable resistance, not least from policy settings.

I argue that renewable energy in rural and regional areas can add to economic growth and opportunity; developing the capabilities of regional Australians; assists by growing and diversifying of the regional economic and employment base; provides an improved quality of life for regional Australians; can lead to vibrant, more cohesive and engaged regional communities particularly when there are community driven approaches, and can leveraging long-term private investment. A focus on renewable energy in rural and regional Australia is a potential economic powerhouse bring benefits to individual businesses and communities.

I look forward with interest to the Committees deliberations.

Narelle Martin