

MESSAGE FROM THE CHAIR

20 December 2018
The Hon Josh Frydenberg MP
Treasurer
Parliament House,
Canberra ACT 2601

Via: josh.frydenberg.mp@aph.gov.au

Dear Treasurer,

Regional Capitals Australia (RCA) is pleased to present this submission for consideration in the preparation of the 2019-2020 Federal Budget.

RCA is an alliance of 27 local government associations across the nation, representing Australia's regional capital cities. Regional capital cities perform a 'capital city' role within their regions, providing a central point to access essential infrastructure, services, business, employment and education. These services and infrastructure are accessed by local residents as well as those in surrounding towns and rural areas.

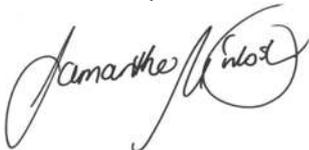
The importance of regional capital cities to the nation cannot be overstated. Regional capital cities are home to almost four million people and service the needs of another four million Australians who live in surrounding areas. Jointly the cities generate \$225 billion per annum, or more than 15 per cent of national economic activity. An extra one million people will have been added to regional capital cities in the 5 years to 2020.

The issue of crushing congestion across Australian metropolitan cities is now featuring daily in the national media and is causing long-term economic and social pressure for those who call these cities home. The role that regional capital cities can play is therefore two-fold; servicing the broader region in which the cities is located and providing a liveable alternative to people and business wishing to escape the congestion of metro cities.

This submission highlights the investment opportunities across three key areas that our members assert will create regional capital cities that are connected, liveable and productive. RCA believes a consolidated policy approach and comprehensive investment plan will deliver a more equitable and efficient outcome for all Australians.

RCA recognises the leadership displayed by the Federal Government on developing regional cities to-date and note the investment outlined in 'Towards 2030', we also congratulate the government on the success of recent Regional and City Deals.

On behalf of our 27 members, we thank you for your regional initiatives and we look forward to contributing to the development of a new regional policy strategy and building our deepening our partnership in 2019.



Cr. Samantha McIntosh
Chair, Regional Capitals Australia | Mayor, City of Ballarat

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BACKGROUND

Vibrant and productive regional capital cities are key to Australia's sustainability and prosperity.

Regional capital cities are also growing - all Regional Capitals Australia (RCA) members are striving to continue this trend and as such have a growth agenda for their communities.

This growth has a historical as well as a modern context. The growth of Australia's regional cities is a 100-year trend, which began when residents of smaller rural towns were seeking more services, infrastructure and non-agriculture based employment, began moving to the larger population centres located in their regions.

Due to this growth regional cities have taken on a 'capital city' role, acting as service hubs for their region. These services and infrastructure are accessed by local residents as well as those in surrounding towns and rural areas; every day, eight million Australians rely on regional capital cities for their everyday needs.

In addition to the service hub role, growth in regional capital cities can also be attributed to Australia's strong immigration rate and more recently, our member cities providing urban centres which are the liveable and affordable alternative to the congested major capitals.

As has been the topic of national discussion over the past 12 months, Australia is growing – rapidly. According to the latest ABS data, Australia's overall population increases by one person every 1 minute and 23 seconds.

Meeting the cost of this growth will be challenging - Infrastructure Australia puts the cost of addressing the national infrastructure deficit anywhere between \$450 - \$700 billion. Federal and State Governments cannot afford to allow this gap to widen.

The congestion caused by this growth in metro cities has led to recent public debate about cutting the permanent migration limit, which RCA states is a short-term, limited solution. In February 2018 during an ABC interview, Prime Minister Scott Morrison stated that cutting permanent migration would put a between \$4-5 billion burden on the budget and would also result in a reduction of skilled intake.¹

RCA's members across regional capital cities have actively committed to welcoming migration, particularly from skilled workers who will be able to assist in building strong regional economies.

In light of the pressures faced, regional capital cities offer a viable solution for both regional communities and metropolitan cities. Higher regional population growth is part of the solution that will 'ease the squeeze' on the five metropolitan cities while increasing overall national productivity. The funding opportunities outlined in this submission will enable the potential of regional capital cities to be realised.

¹ ABC Insiders Sunday 25 November 2018 <https://iview.abc.net.au/show/insiders>

POLICY PLATFORM

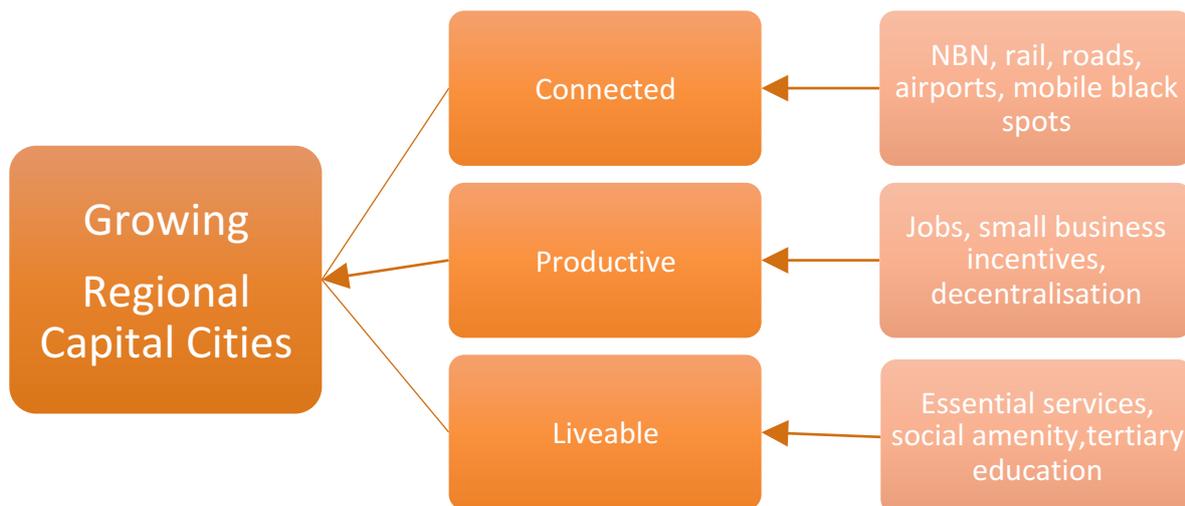
RCA's vision is to grow regional capital cities that are:

1. **Strong service centres:** that continue to be a central point to access essential infrastructure, services, business, employment and education;
2. **Easing the metropolitan congestion:** encouraging regional migration and decentralisation options for new and existing residents and businesses can take the pressure of major metropolitan capitals;
3. **An affordable alternative:** providing affordable housing and industry industrial land options for families and business seeking to avoid the inflated housing markets of the major metropolitan capitals

To achieve this vision we must continue to build regional capital cities that are:

4. **Connected:** with roads, rail, airports, broadband and mobile telecommunications;
5. **Productive:** with diverse economies that can be built with government and private sector decentralisation and skilled labour shaped through strong tertiary education opportunities; and
6. **Liveable:** with high levels of essential services, social amenities and a continued supply of affordable housing options.

Figure 1. Proposed priority funding areas for the 2018-2019 Federal Budget



Work undertaken by the Regional Australia Institute has identified that with the appropriate level of planning, regional cities will “produce twice as much as all the new economy industries produce in today’s metropolitan cities” by 2031.² For regional cities to reach their potential of generating \$378 billion in economic output, immediate action is needed. A concerted focus on growth and investment for regional capital cities is key to securing sustainable growth in our regions and metropolitan cities.

This submission outlines a \$2 billion investment opportunity to leverage the existing potential of regional capital cities into a long-term vision for Australia. A number of recommendations referenced in this submission reinforce the conclusions made in the Select Committee on Regional Development and Decentralisation ‘Regions at the Ready’ final report, due to the strong alignment across key priorities for regional investment.

² Regional Australia Institute (RAI), Regional centres carry their weight for the economy <http://www.regionalaustralia.org.au/home/2017/07/regional-centres-carry-weight-economy/> June 2017

INVESTMENT PRIORITIES

1. Connected Regional Capital Cities

Connectivity and access to national and international markets by road, rail and air are critical for people and businesses located or living in regional capital cities, particularly for industry sectors such as agriculture, manufacturing, construction and mining.

Connectivity enables a mobile workforce, such as the Fly-In-Fly-Out (FIFO) and Drive-in-Drive-Out (DIDO) for both regional communities and the broader Australian economy. Similarly, same-day business travel to metropolitan capitals and to other regional capital cities creates access to broader job networks and operations options for locally-based businesses.

The rapid acceleration of business being conducted digitally requires regional capital cities to have access to the same level of digital connectivity as their metro counterparts. The complete and efficient rollout of broadband and reduction in mobile black spots in regional capital cities are urgent issues, constraining population and skilled jobs growth.

Connectivity through the regularity of plane services, faster rail, high-speed broadband and mobile access is key to overcoming the tyranny of distance. Efficiency and effectiveness across connectivity measures will enable regions to be brought closer - closing the digital divide and increasing productivity. To maximise the potential of regional capital cities, connectivity across physical and digital infrastructure needs to be prioritised for investment.

'Regions at the Ready' recommendation alignment³:

The following recommendations from the Select Committee on Regional Development and Decentralisation *'Regions at the Ready'* Inquiry supports the recommendations made in this submission relating to connectivity, including;

Recommendation 1: The Committee recommends that the Federal Government increases its investment in building enabling infrastructure to improve connectivity, key services and amenities through coordinated regional plans.

Recommendation 12: Development of a comprehensive White Policy and Green Paper, including on the need for access to information technology, strong and reliable communication, specifically mobile phone and NBN as well as the need for strong and reliable transport infrastructure to support passenger and freight requirements.

a) ***National Broadband Network (NBN)***

In a recent RCA membership survey, 80% of the capitals surveyed cited 'communications' and 'technology' as a 'top 3' policy priority for their city. Fast broadband access is now a core liveability requirement, particularly as the availability of high-speed broadband services and other connectivity technologies reduce social isolation and the tyranny of distance.

Better internet connections draw jobs to regions not just by attracting businesses, but by attracting knowledge workers for whom fast broadband is a baseline liveability requirement. When the NBN was announced, it was welcomed as a means of narrowing the economic and social inequity between residents in regional capital cities and those in metropolitan areas. The roll out of the NBN should be evaluated and prioritised where investment is required in regional capital cities.

³ House of Representatives Select Committee on Regional Development and Decentralisation, *'Regions at the ready; investing in Australia's future'* https://parlinfo.aph.gov.au/parlInfo/download/committees/reportrep/024136/toc_pdf/RegionsattheReadyInvestinginAustralia'sFuture.pdf;fileType=application/pdf pg.xix

RCA Recommendation:

1. Prioritise regional capital cities in the roll-out of the National Broadband Network continues;
2. Prioritise the investment of Full Fibre to the Premise in regional capital cities; and
3. Undertake an annual review of the quality of broadband service across regional capital cities to establish connectivity gaps.

b) Regional Rail:

High-speed rail dramatically improves the accessibility of regional and rural areas and appeals to a mobile workforce, enabling people to commute to capital cities while enjoying the affordable and relaxed lifestyle of regional capital cities. RCA has welcomed the Federal Government's announcement of a \$20 million funding package to support the development of 'faster rail' business cases, which are vital to building connected regions.

State Governments of all persuasions, who are generally responsible for funding and developing regional rail business cases have not always prioritised this investment in the last decade, leading to extraordinary and unsustainable congestion in metropolitan cities. The amount of resources required to build assessable business cases is a financial burden regional capital city councils are not able to bear - further funding by the Australian Government should be made available to ensure regional rail projects can be identified and assessed. It is also imperative that regional projects are prioritised for the \$10 billion in funding under the 2017 National Rail Program.

RCA Recommendation:

1. \$100 million (over four years) in additional funding to support the development of regional city rail connectivity projects under "faster-rail" program; and
2. Prioritisation of regional capital city faster rail projects under the National Rail Program.

c) Regional Roads:

Regional roads are enabling connectors, which provide access to national and international markets while creating opportunities for employment, tourism and access to key services in neighbouring regional towns. Investing in roads infrastructure contributes directly to a city's economy by providing jobs, increasing value-add spending and lifting productivity both within the regional capital city and the surrounding region.

RCA has welcomed the scheduled investment over next decade through the new Roads of Strategic Importance (ROSI) and the Roads to Recovery Program that will deliver funding of \$4.4 billion from 2013-14 to 2020-21. This is a significant step forward in meeting the existing gaps in road infrastructure. RCA recommends that the Federal Government prioritises this funding into regional roads, providing crucial infrastructure to connect regional communities and metropolitan cities to one another.

RCA Recommendation:

- 1) Increase investment to upgrade roads and construction in regional capital cities, particularly for regional capital cities where a hub and spoke effect enables inter-regional employment opportunities; and
- 2) Increase the flexibility of available funding in road programs to develop feasibility studies and business cases that will allow for potential upgrades of roads between regional capital cities.

d) Regional Airports:

The airports in regional capital cities play a crucial role as essential infrastructure in connecting individuals, facilitating trade, providing employment and supporting tourism. Regional airports are hubs for emergency and medical services and also play a large role in same day business travel to metropolitan/capital cities and enabling FIFO employment.

Airfreight is also an emerging opportunity for regional economies where the existence of regions premium goods are in demand from growing world markets. Across Australia in 2016-17, airfreight trade was worth \$130 billion, or 21% of total trade⁴. As capital city airports continue to face the demands of population growth, unlocking the potential of regional airports to increase of airfreight capacity and share in the airfreight trade presents a win-win for the Australian economy.

However, the cost of urgent upgrades in regional capital city airports, which suffer from World War II infrastructure as well as the increasing burden of ongoing security upgrades are onerous. Nearly 40% of regional airports expect persistent budget deficits over the next 10 years. Across Australia's regional airport network, it is expected that the annual budget deficit for regional airports will be \$17 million per year, equating to a \$170 million shortfall over 10 years.

RCA Recommendation:

1. Funding the minimum shortfall of \$170 million for essential maintenance and upgrades to ensure the sustainability of the regional aviation network; and
2. Providing increased flexibility for programs like the Building Better Regions Fund to include funding for feasibility studies and business case development to allow regional airports to diversify their operations offering.

e) Mobile Black Spots:

Mobile coverage is of significant concern to regional capital cities. The knowledge economy, which regional capitals can contribute to greatly, is based on mobile connectivity. The 2015 Infrastructure Australia Audit has projected that “demand for telecommunications infrastructure will continue growing faster than GDP growth”. This growth is largely due to business and consumer demand for services that increasingly depend on high volumes of data. This includes agriculture, tourism and financial services – industries that drive regional economies. Mobile access also facilitates community safety and access to social infrastructure such as medical services, social connectedness and liveability factors around wellbeing.

RCA welcomed the June 2018 announcement by the Government of an investment of \$25 million in Round 4 of the Mobile Black Spot Program for regional and remote communities across Australia. Regional capital cities should be clearly prioritised for further funding to ensure they are not left behind in economic connectivity and competitiveness.

RCA Recommendation:

- 1 Invest an additional \$500 million over three years to enable the prioritisation of regional capital cities in the roll out of the Mobile Black Spot Program; and
- 2 Set aside funding for monitoring and evaluation post program rollout and a contingency of funding to undertake additional work as required.

⁴ Commonwealth of Australia, Inquiry into National Freight and Supply Chain Priorities, Supporting paper No. 1, Air freight, March 2018, https://infrastructure.gov.au/transport/freight/freight-supply-chain-priorities/supporting-papers/files/Supporting_Paper_No1_Air_freight.pdf

2. Productive Regional Capital Cities

Regional capital cities are the hubs through which the majority of Australia's agribusiness and resources exports move. They are also employment centres for wider regional areas, where demand for service sectors is growing. Collectively, Australia's regions account for around 40% of total national economic output and most importantly, have a stabilising effect on Australia's economy.⁵

Regional capital cities will continue to be key to Australia's global competitiveness, but more must be done to ensure they are able to adapt successfully to local structural economic change and emerging market trends. To remain competitive at a local and global level, regional capital cities need to capitalise on their core strengths while ensuring there is adequate diversification of industry and labour force to guard against industry-specific downturns and economy-wide shocks if they are to have an effective service based labour force that can support primary and secondary industries.

Achieving the diversification of industry, building the labour force and encouraging greater economic productivity can be more rapidly undertaken by funding the decentralisation of public services initiatives and providing incentives for businesses to shift to regional capital cities.

a) Decentralisation

The rise of connectivity technology and the changing drivers of Australia's economy towards knowledge roles presents numerous opportunities. The decentralisation of government departments and the private sector also presents a unique opportunity to build on the economic capability of Australia's regional capital cities through economic diversification. There are numerous benefits of decentralisation for employees and employers including cost-saving, workplace flexibility, greater workforce participation, increased business resilience and reduced costs.

RCA notes that there is a growing trend of Australian employees using technology to work remotely and recommends that a program of teleworking is supported by Government. The results from the Characteristics of Employment Survey conducted by the Australian Bureau of Statistics (ABS) in 2015 indicated that of the 11.6 million people employed in Australia, 3.5 million were teleworkers, which has been steadily increasing over time. Previous efforts at government decentralisation have proven to be successful.⁶ (see our submission <http://regionalcapitalsaustralia.org/wp-content/uploads/2017/09/Decentralisation-Reg-Development-Submission-FINAL-1.pdf>)

RCA Recommendation:

- 1 Funding is allocated for an accelerated decentralisation program to enable the Australian Public Service to relocate staff to regional capital cities; and
- 2 Provide a teleworking budget for Commonwealth employees and set yearly targets for each Commonwealth department, corporate entity and statutory authority to offer teleworking opportunities for a percentage of its staff.

⁵ Regional Australia Institute, 'The Economic contribution of regions to Australia's prosperity', http://www.regionalaustralia.org.au/wp-content/uploads/Talking-Point-The-economic-contribution-of-regions-to-Australia's-prosperity_to-send.pdf

⁶ House of Representatives Select Committee on Regional Development and Decentralisation, 'Regions at the ready; investing in Australia's future' https://parlinfo.aph.gov.au/parlInfo/download/committees/reportrep/024136/toc_pdf/RegionsattheReadyInvestinginAustralia'sFuture.pdf;fileType=application/pdf pg.xxvii

'Regions at the Ready' recommendation alignment⁷:

Select Committee on Regional Development and Decentralisation *'Regions at the Ready' Inquiry* reported that the *'decentralisation of public and private entities has many advantages, including alleviating congestion and pressure on capital cities'* noting that decentralisation should *'act as a catalyst for social and economic change'* and be incorporated into a broader regional strategy.

Recommendation 6: ...decisions as to whether to decentralise an agency should be part of a broader strategy for regional development.

b) Business Incentives for regional investment

Building regional capital cities requires the creation of liveable and affordable urban forms as well as a partnership with private investors and businesses that are committed to decentralise their operations. This commitment can be fast-tracked through Federal Government investment and incentivising business opportunities in regional capital cities. The decision in 2015-16 by the Federal Government to cut the business tax rate for smaller businesses was a step forward. Further tax breaks specifically available for regional businesses should be offered to further incentivise business operation in the regions.

RCA also recommends that funding for the Federal Government Industry Innovation and Competitiveness Agenda and the investment of \$188.5 million for Industry Growth Centres is prioritised for regional capital cities.

RCA Recommendations:

- 1 Industry Innovation and Competitiveness Agenda – Industry Growth Centres funding is prioritised for regional capital cities; and
- 2 Implementing tax incentives for businesses that re-establish operations in regional capital cities.

⁷ House of Representatives Select Committee on Regional Development and Decentralisation, *'Regions at the ready; investing in Australia's future'* https://parlinfo.aph.gov.au/parlInfo/download/committees/reportrep/024136/toc_pdf/RegionsattheReadyInvestinginAustralia'sFuture.pdf;fileType=application/pdf pg. xxi and pg. xxvii

3. Liveable Regional Capital Cities

Regional capital cities are seen as a desirable 'liveable alternative' rating highly for liveability; offering great lifestyle, short travel times, affordable housing and clean air. The liveability of regional capital cities offers an alternative for people and businesses seeking to escape congested metropolitan cities – people making the switch are often of a highly educated mobile workforce, bringing a diverse range of skills and innovative business models with them to the regional capital cities.

To continue to build on the liveability of regional capital cities, greater investment is required in social amenity to ensure that our member cities can not only attract a mobile workforce but also retain these workers and their families.

a) *Tertiary Education*

University study and research generates more highly skilled students who are better prepared to be creative and entrepreneurial to meet future job challenges. Whilst regional Australia accounts for almost 40% of the population, young people aged 15-24 years from rural and regional Australia are almost half as likely to be attending university as young people in metropolitan areas and less likely to have completed a Bachelor degree. Many more leave regional communities to undertake further education causing a significant 'brain-drain'.

Thriving regional universities are essential to help ameliorate this discrepancy. Regional universities help to train, attract and retain skilled workers required for a successful and diversified economy. Historically, students who study in regional areas are likely to remain in the regions, contributing socially and economically to their communities. They also overwhelmingly apply to courses in the fields most in demand in their areas, particularly nursing, education, agriculture and environmental courses.⁸ Evidence to this fact has been identified by the Regional University Network, which found that 7 out of 10 graduates from regional universities have found employment in regional Australia, compared to 2 out of 10 graduates who work in the regions when they study in metropolitan areas.⁹

RCA welcomed the \$134.8 million investment in November 2018 for access to regional higher education provision and scholarships and also the formation of a Regional Education Expert Advisory Group as a strong commitment exploring the needs of regional students. RCA notes that other initiatives, such as the inclusion of universities in place-based initiatives including City and Regional Deals, and the restoration of the demand-driven student system for studying at university are also needed to address the inequities caused by geographic isolation and disadvantage. Ensuring that tertiary study, including both higher education and vocational education and training opportunities exist in regional capital cities will work to address the gap in educational attainment between metropolitan areas and the regions.

'Regions at the Ready' recommendation alignment¹⁰:

Select Committee on Regional Development and Decentralisation *'Regions at the Ready'* Inquiry recommended that the Federal Government:

Recommendation 11: strengthen the role of, and better support for, regional universities as pivotal institutions for social and economic development in regional areas.

³ Australian Government, Department of Education, *Undergraduate Applications, offers and acceptances 2014*
⁹ Jobs and Productivity Effects of the Regional Universities Network, 2018, Nous Pty Ltd

<http://www.run.edu.au/resources/RUN%20Jobs%20and%20productivity%20report%20final.pdf>

¹⁰ House of Representatives Select Committee on Regional Development and Decentralisation, *'Regions at the ready; investing in Australia's future'*
https://parliinfo.aph.gov.au/parliInfo/download/committees/reportrep/024136/toc_pdf/RegionsattheReadyInvestinginAustralia'sFuture.pdf;fileType=application/pdf pg. xxi and
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RCA Recommendations:

- 1 Restore the demand-driven student system for university places;
- 2 Provide ongoing funding for the Regional Study Hubs initiatives;
- 3 Provide more scholarship opportunities for regional students who study at regional campuses in order to cover the costs of education, accommodation and living expenses; and
- 4 Establish a fund that will allow the recommendations of the Regional Higher Education Expert Advisory committee to be delivered.

b) Generating greater social amenity

At the core of liveable regional capital cities are assets and services that build the social capacity of communities including arts centres, community sporting facilities, accessible foreshores or connected and activated Central Business Districts. High amenity regional capital cities provide the sorts of amenity that people living in metropolitan cities are accustomed to having in order to enhance their lives, while also making smaller rural towns more liveable. The amenities of regional capital cities are frequently accessed by local residents, as well as those in surrounding towns and rural areas.

Investment in social infrastructure increases amenities and attracts investment from companies and individuals, delivering regional development through a range of benefits from community maintenance to economic growth. There is a clear case for this investment, the Regional Australia Institute (RAI) estimates that for every 100,000 Australians who choose to live in regional capital cities rather than the big five metropolitan cities, that an additional \$50 billion will be released into the economy over 30 years in reduced congestion costs alone.

Existing funding such as the Building Better Regions Fund and the Regional Growth Fund do not sufficiently match need, nor do they provide certainty through long-term fund allocations. Both funding streams should be expanded in terms of funds available and extended to provide greater long-term security.

'Regions at the Ready' recommendation alignment¹¹:

Select Committee on Regional Development and Decentralisation *'Regions at the Ready'* Inquiry recommended that the Government develop a Green Paper that investigates:

Recommendation 12: '...the role of amenity and social infrastructure, specifically the cultivation of social, cultural and community capital in supporting regional development'.

RCA Recommendation:

- 1 \$2 Billion combined Building Better Regions and Regional Growth Fund (over 4 years) that will meet the various productive and liveability needs of regional Australia. This funding should:
 - Have flexible guidelines that target regional economic and population growth;
 - Support the development of business cases;
 - Serve as a funding mechanism for projects identified as part of any Regional Deals; and
 - Like the current Regional Growth Fund and Building Better Regions Fund be able to fund small projects and large projects of over \$20 million.

¹¹ House of Representatives Select Committee on Regional Development and Decentralisation, *'Regions at the ready; investing in Australia's future'* https://parlinfo.aph.gov.au/parlInfo/download/committees/reportrep/024136/toc_pdf/RegionsattheReadyInvestinginAustralia'sFuture.pdf;fileType=application/pdf pg. xxi and pg. xxvii

REGIONAL AND REGIONAL CITY DEALS

In total, regional capital cities generate \$225 billion per annum, or more than 15 per cent of national economic activity.¹² With the appropriate levels of investment and commitment by the three tiers of government via Regional and City Deals, there will be scope to expand upon economic output while having a long term positive effect for Australia across a number of indicators.

Regional and City Deals represent an opportunity for genuine partnership between the three levels of government, the private sector and the community to work towards a shared vision for productive, connected and liveable cities. By aligning planning, investment and the governance required to accelerate growth and job creation, stimulate urban renewal and drive economic reforms, Regional and City Deals stimulate prosperity and increase the liveability of regional capital cities.

Regional and City Deals are a new paradigm and investment model that has a proven track record of achieving getting regional stakeholders around the table to meet the challenges of and too growth as well as contributing to improvements for metropolitan cities.

As the nation's productivity continues to decline, the development of a network of socially and economically thriving regional capital cities should be the objective of all levels of government. Regional and City Deals should be seen as a mechanism to achieving this outcome.

'Regions at the Ready' recommendation alignment¹³:

Select Committee on Regional Development and Decentralisation *'Regions at the Ready'* Inquiry recommended that:

Recommendation 3: The Federal Government's City Deals program should be extended to provide development and opportunity to cities, towns and regional communities.

RCA Recommendation:

- 1 Assign appropriate funding for the Department of Regional Development, Infrastructure and Cities to design a process to allow for the next round of Regional and Regional City Deals; and
- 2 Use the \$2 Billion Building Better Regions / Regional Growth Fund as a source of funding for the federal component of any Regional / Regional City Deals.

¹² Submission by RCA, House of Representatives Standing Committee on Infrastructure, Transport and Cities Inquiry into: The Australian Government's role in the development of cities July 2017. <http://regionalcapitalsaustralia.org/wp-content/uploads/2017/08/Cities-paper-working-FINAL-04-August.pdf> pg. 3

¹³ House of Representatives Select Committee on Regional Development and Decentralisation, *'Regions at the ready; investing in Australia's future'* https://parliinfo.aph.gov.au/parliInfo/download/committees/reportrep/024136/toc_pdf/RegionsattheReadyInvestinginAustralia'sFuture.pdf;fileType=application/pdf pg. xxi and pg. xxvii

SUMMARY OF RECOMMENDATIONS



National Broadband Network (NBN):	1	Prioritise regional capital cities for additional funding as the roll-out of the National Broadband Network continues
	2	Prioritise the investment of Full Fibre to the Premise in regional capital cities
	3	Undertake an annual review of quality of broadband service across Regional Capital Cities to establish connectivity gaps
Rail Connectivity	4	\$100 million (over four years) in additional funding to support the development of regional city rail connectivity projects under “faster-rail” program
	5	Prioritisation of regional capital city faster rail projects under the National Rail Program
Access by Roads	6	Increase investment to upgrade roads and construction in regional capital cities, particularly for regional capital cities where a hub and spoke effect enables inter-regional city employment opportunities
	7	Increase the flexibility of available funding in road programs to develop feasibility studies and business cases that will allow for potential upgrades of roads between regional capital cities
Regional Airports	8	Funding the minimum shortfall of \$170 million for essential maintenance and upgrades to ensure the sustainability of the regional aviation network
	9	Providing increased flexibility for programs like the Building Better Regions Fund to include funding for feasibility studies and business case development to allow regional airports to diversify their operations offering
Mobile Black Spots	10	Invest an additional \$500 million over three years to enable prioritisation of regional capital cities in the roll out of the Mobile Black Spot Program
	11	Set aside funding for monitoring and evaluation post programme roll-out and a contingency of funding to undertake additional work as required
Decentralisatio	12	Funding is allocated for an accelerated decentralisation program to enable the Australian Public Service to relocate staff to regional capital cities

		corporate entity and statutory authority to offer teleworking opportunities for a percentage of its staff.
Business incentives	14	Industry Innovation and Competitiveness Agenda – Industry Growth Centres funding is prioritised for regional capital cities
	15	Implementing tax incentives for businesses re-establishing operations in regional capital cities
	16	Restore the demand driven student system for university places
	17	Provide ongoing funding for the Regional Study Hubs initiatives
	18	Provide more scholarship for regional students who study at regional campuses in order to cover the costs of education, accommodation and living expenses
	19	Establish a fund that will allow the recommendations of the Regional Higher Education Expert Advisory committee to be delivered
Social Infrastructure	20	<p>\$2 Billion combined Building Better Regions and Regional Growth Fund (over 4 years) that will meet the various productive and liveability needs of regional Australia. This funding should:</p> <ul style="list-style-type: none"> • Have flexible guidelines that target regional economic and population growth; • Support the development of business cases; • Serve as a funding mechanism for projects identified as part of any Regional Deals; and • Like the current Regional Growth Fund and Building Better Regions Fund be able to fund small projects and large projects of over \$20 million.
	21	Assign appropriate funding for the Department of Regional Development, Infrastructure and Cities to design a process to allow for the next round of Regional and Regional City Deals
	22	Use the \$2 billion Building Better Regions / Regional Growth Fund as a source of funding for the federal component of any Regional/Regional City Deals.