

The Hon Gary Gray AO MP
Parliamentary Secretary for Regional Development
And Northern Australia
Delivered by Jim Turnour MP
Member for Leichhardt

North Australia
Economic Development Forum
KEYNOTE ADDRESS:
Future Directions – Office of Northern Australia

Introduction

I'd like to acknowledge the traditional owners of this land and pay my respects to their elders, past and present.

Acknowledgements:

Mr Jim Turnour MP, Federal Member for Leichhardt.
Mr Kazufumi Tokashiki, President of Perljwe Kabira Ltd;
Mr Hiromitsu Fuchaku President of B-CON Co, Cane separator producer;
Mrs Hatsumi Fuchaku,;
Mr Gen Masaki, President of Fourspace Ltd; Director of KFSU; and

It is a pleasure to be here on the Marina for this important forum.

I would like to acknowledge the hard work done by the Tropical North Queensland RDA, and in particular Robert Blanckensee, Frederick Marchant and Kate Sutcliffe for arranging such an impressive program.

I am here to give you an update on the Rudd Government's initiatives that will impact on Regional Development and in particular Northern Australia.

Many of you will know the focus the Rudd Government placed on Northern Australia during last year's election campaign.

We are committed to developing the Office of Northern Australia to ensure that the top end of Australia shares in national prosperity.

Before I go further I'd like to set the scene a little.

Flying in last night I reflected that in many ways, the electorate of Leichhardt, of which Cairns is the unofficial capital, typifies what is unique about regional Australia, and in particular Australia's Tropical North.

The 10th largest of Australia's 150 electorates, it covers an expansive area of 150,366 square kilometres stretching from the Papua New Guinea border through Cape York Peninsula to the southern suburbs of this city.

This vast area consists of a distinctive blend of urban, regional and remote areas – each, as the hard working Federal member, Jim Turnour, knows only too well – with its own set of challenges.

But with these challenges comes one of Northern Australia's most important strengths – diversity.

You have a strong indigenous and multicultural heritage; your major industry ranges from agriculture and mining to tourism; and your communities include dynamic and bustling cities and regional centres as well as some of Australia's most remote communities.

To take advantage of this diversity and the opportunities it presents means taking a fresh look and initiating new and creative approaches.

The Australian Government is open to creative models for regional development that promote the advancement of Northern Australia.

Whole of Government initiatives in Northern Australia

It is almost one year since the Rudd Government was elected and I do not think I could have imagined how challenging and interesting our projects or initiatives would be.

I imagine a number of my colleagues would feel the same and when you look at the broad range of Rudd Government initiatives, you get a taste of what this Government stands for.

In the Resources, Energy and Tourism Portfolio guided by Minister Martin Ferguson, Northern Australia is a key region when making policy decisions.

There are three key energy policy proposals that were announced in this year's budget that will have a significant impact on Northern Australia.

The Energy Innovation fund, the Renewable Energy Fund and the National Clean Coal Fund.

Together these three funds will invest more than \$1 billion to improve the way we generate energy and create greater economic and environmental dividends.

Being here in Cairns, it is easy to comment on the significance of tourism to Northern Australia.

The Minister's National Tourism Strategy aimed at strengthening the tourism industry's supply-side capacity and maximising the net economic benefits of tourism to the Australian economy will be of direct benefit to tourism operators in Northern Australia.

Nationally the sector generates more than \$38 billion in GDP and directly employs almost 500,000 people.

Minister Ferguson was of course here in Cairns only a few weeks ago to announce a new component of the Australian Government's \$4 million Tropical North Queensland Tourism Package.

The 'New Destination Roadmap for Tropical North Queensland', as announced by the Minister, will assist the tourism industry to adapt to changing consumer and aviation trends and increasing global competition.

Also of significance to Northern Australia is the almost \$4 million Business Ready Program for Indigenous Tourism, which aims to develop Indigenous operators' business skills and the knowledge required to establish and run a commercially viable tourism operation.

Health under the very capable hands of Minister Nicola Roxon has made investment in Regional Australia a key priority of this term of Government.

The National Rural and Remote Health Infrastructure Program will provide more than \$46 million over the next four years to improve access to funding for essential health infrastructure and equipment.

The Rudd Government is currently establishing 31 GP Super Clinics around the country including in Palmerston, Mount Isa, Townsville and here in Cairns.

Together this is a commitment of more than \$30 million that will provide better coordination between privately provided GP and allied health services, as well as State and Territory funded health services.

The Rudd Government will also establish the Office of Rural Health to drive the Government's reform agenda out into the regions.

Many of the flagship initiatives from Minister Macklin's Department of Families, Housing, Community Services and Indigenous Affairs will provide key support to those living in Northern Australia.

The Housing Affordability Fund will lower the cost of building new homes and the National Rental Affordability Scheme will increase the supply of affordable rental dwellings and reduce the costs of rental for low to moderate income households.

Minister Macklin has made a significant commitment to improving education outcomes in the Northern Territory by providing funding for 200 additional teachers over the next four years.

This goes hand in hand with many of the Minister's plans aimed at 'Closing the Gap' between Indigenous and White Australians life expectancy.

The total 'Closing the Gap' initiative includes more than \$400 million in new funds from this year's budget.

This builds on the already committed \$580 million announcements from February aimed at closing the gap in life expectancy, infant mortality, education and employment.

Under the Northern Territory Emergency Response (NTER), there are a number of initiatives in line with the Government's closing the gap policy.

The Australian Government is working with Red Cross Australia by providing more than \$2 million to develop a sustainable regional network of youth orientated services and youth leaders that will work to develop and implement an integrated youth diversion plan across the region.

The Australian Government has also invested in Intensive Support Playgroup (ISP) services to the tune of more than \$2 million that will provide family and early childhood support to isolated and disadvantaged families.

Senator Kim Carr as Minister for Innovation, Industry, Science and Research has made significant investments in Northern Australia including Mackay's \$14 million Mining Technology Innovation Centre and Alice Spring's \$10 million Remote Enterprise Centre.

I know that many of you will question Alice Springs being included as part of Northern Australia as it does fall below the Tropic of Capricorn but the Remote Enterprise Centre will support small to medium enterprises in geographically remote regions throughout the Territory and into Western Australia and Queensland.

Minister Garrett has long held an affinity with the North and his Department's Caring for Country program will inject \$2.25 billion over five years into responsible natural resource management.

It includes initiatives such as the \$200 million Great Barrier Reef Rescue Plan, the \$50 million expansion of Indigenous Protected Areas, \$90 million for increased Indigenous Rangers and \$2 million to develop a National Cane Toad Plan.

In terms of Minister Garrett's responsibility for Heritage matters, his Department's main priorities are to progress a strategic assessment of the Kimberley region, fast track Australia's nomination for World Heritage listing of Ningaloo Reef and work with Queensland Government and traditional owners to pursue World Heritage listing for appropriate areas of Cape York.

Minister Penny Wong's Climate Change and Water portfolio has invested more than \$6 million in the Northern Australia Sustainable Yields initiative to provide a comprehensive assessment of water resources across Northern Australia.

The Australian Institute of Marine Science, also in Minister Wong's portfolio, is conducting a \$30 million research project into the Scott Reef off Western Australia's Kimberley coast.

The project will provide independent scientific advice to support the sustainable development of liquid natural gas reserves and is co-funded by the oil and gas industry.

Education is a key priority of the Rudd Government and Northern Australia is set to benefit from the Deputy Prime Minister's education portfolio.

From localised initiatives such as \$5 million for 10 new teacher houses in Wadeye, to \$5.5 million to revitalise Central Queensland University's infrastructure, to 50 new university places for nurses in the Northern Territory, to national initiatives such as the Digital Education Revolution providing much needed information technology infrastructure to schools across the country including here in Cairns with more than 200 new computers for local schools.

The Rudd Government is rolling out exciting new programs from a range of portfolios and we have a strong commitment to Regional Australia.

Within my own portfolio of Regional Development, many community groups and local Governments in Northern Australia are set to benefit from Better Regions Election Commitment projects.

This includes the Cairns Multi-Sport Stadium, the Mackay Multi Use Stadium, the Murray Sports Complex in Townsville and the Cooktown Community Events Centre for the Cook Shire Council and many others.

Regional Australia has an important role to play in our national economy; in many ways Regional Australia defines our national character.

However, being creative about Regional Development is not easy.

REGIONAL INITIATIVES

During the past 30 years Regional Development has been a policy matrix in the making – across the whole of the OECD no country can claim to have got it 100% right.

So in Australia too, we have been working on it.

Australian Labor Governments in particular have a strong and credible track record supporting regional Australia and working with local government.

The Whitlam Government was the first to provide untied financial assistance grants to local governments, and to support the establishment of the Regional Organisation of Councils.

The Keating Government's 1994 White Paper on Employment and Growth titled 'Working Nation' led to the establishment of the Area Consultative Committee (ACC) network and the Regional Development Program.

The role of the ACCs was to ensure that Commonwealth employment programs complemented regional development initiatives.

A key element of the Regional Development Program was funding to establish and operate Regional Development Organisations (RDOs) that were broadly representative of all key players in a region including local government, business, unions and community organisations.

The RDOs complemented the work of the ACCs, which at that time, were primarily concerned with labour market programs – employment and training programs relevant to local needs.

The Regional Development Program was wound up by the Howard Government in August 1996.

The ACCs continued under the former Government in the portfolio of Employment and Workplace Relations.

Appropriately the Howard Government placed ACCs under the Transport and Regional Services portfolio in 2002-03.

We saw the role of ACCs become more and more focused on regional areas – this was a good thing.

Then later they became focused on gathering and recommending funding for small grants. What has come to be known as pork barrelling.

That is not to say that the projects promoted by ACCs were not frequently worthy, but this model was not a sustainable approach.

I have to concede the pork barrel has afflicted and damaged both sides of politics.

I cannot ignore the whiteboard and the Australian National Audit Office could not ignore the Regional Partnerships program.

Pork barrelling is not a fair approach.

Pork barrelling is not regional development.

A strategy focused on influencing votes does not lend itself to building strong and sustainable regional communities.

It is not creative.

So, as I said, the Rudd Government is transitioning the Area Consultative Committees into a new network, Regional Development Australia (RDA).

The focus of RDA will be to improve how the Australian Government engages with regional Australia.

We have a unique opportunity to implement a more strategic and responsive approach to regional development.

By building on the ACCs, RDA offers a real opportunity to provide a supporting mechanism for communities with a vision and the determination to make that vision a reality.

The Rudd Government recognises that strong regional communities are best placed to make the greatest contribution to the well-being of their residents and to their region.

On the 20th of March 2008, Minister Albanese announced in Parliament that the network of 54 Area Consultative Committees would transition to become local Regional Development Australia (RDA) committees, effective as of the 1st of January next year.

Minister Albanese and I met with the interim board of RDA in April and gave the network three tasks.

The first was to provide advice on improving the engagement of regional communities, regional development organisations and local governments with the Australian Government in order to inform the future role of Regional Development Australia.

I met again with the RDA Interim Board in mid-September to hear a consolidated report on this task distilled from the 54 individual RDA committee submissions.

I would like to reiterate to those present today who were involved in these consultations, I was very impressed by the process undertaken by the network, and expressed my appreciation to the Interim Board for the extensive work done on the consultations and the very comprehensive submissions.

The Government is still considering these submissions as well as other input regarding RDA, and we will be making an announcement in the near future.

I have also been talking to State and Territory governments about the potential for aligning RDA with their regional development bodies.

In my home state of Western Australia some State Government Regional Development Commissions and ACCs operate in isolation with little communication between the two bodies.

Others work together well and have a good track record of collaboration and cooperation.

It is important that we look at how different regional development initiatives work together and if there is a potential for better alignment, this needs to be investigated.

The second and third tasks given to the RDA network involve advising on principles and priorities for new regional funding programs; and providing advice on priorities for the types of local community infrastructure that could encourage economic development in local communities.

RDA committees will provide reports on these tasks in a few days (31 October 2008), and I will be meeting with the Interim Board again on 10 November.

I would like to thank those of you here today, and indeed, the thousands of people who have served on ACC's over the years.

Here today are representatives of RDAs from the Kimberley, Northern Territory, Torres Strait/North Peninsular Area, Far North Queensland, North Queensland and Mackay region.

Again, I would like to thank all of you who have contributed to the ACC network and I look forward to working with RDA.

The Government is also seeking input into its regional agenda in other ways.

The House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, has accepted a request from the Minister that it conduct an inquiry into regional funding.

The Committee is to report on the Australian National Audit Office's Performance Audit of the Regional Partnerships Program.

It will make recommendations on the ways the Australian Government should invest in genuine regional economic development and community infrastructure to enhance the sustainability and liveability of Australia's regions.

The Committee is travelling the country – in fact they were here in Cairns on the 25th of July – holding a series of roundtables to discuss a best practice framework and administrative arrangements for the new Regional and Local Community Infrastructure Program.

I know that some of you here participated in that roundtable discussion and I thank you for being involved in that process.

In August, the Minister for Regional Development, Anthony Albanese, and I attended a meeting in Broome of regional development Ministers - the Regional Development Council (RDC).

It was pleasing to see the Australian Local Government Association (ALGA) present at our Ministerial Council. ALGA's views are important to us.

Among other things, we discussed better alignment between Commonwealth and state regional development arrangements and structures. Our consultations have taken me around the country a few times.

We have also established a Regional and Local Community Infrastructure Program - to deliver major investments in appropriate infrastructure projects including recreational and environmental initiatives.

In line with the Rudd Government's national approach to infrastructure investment, our new program:

- will be accountable;
- will be transparent;
- will be based on community needs;
- will link to Local Government and regional initiatives.

Funding will be available in the 2009-10 Budget.

The processes to consider proposals for funding will be proper and transparent.

I want to stress that there will be no pork barrel – there will be a proper process. We await the views of the Parliamentary Inquiry and our broad consultations before going further on the design of this program.

LISTENING TO LOCAL GOVERNMENT

Before I go on, I'd like to say that one of the things all successful sustainable regional communities have in common is a sense of self motivation.

Most often it's a grumpy and strong sense of self reliance.

We need strong and dedicated local governments capable of developing strategic regional plans and working to them.

It's not easy, indeed it is one of the most difficult jobs in local government.

It's about leadership, about pragmatism, it's about creativity, and it's the job of local government.

The Rudd Government has a strong commitment to securing the future of a viable and independent local government structure in Australia.

This year almost \$1.9 billion will be provided to local government in untied financial assistance grants plus almost \$350 million from the Roads to Recovery program.

These figures include \$451 million for Queensland plus \$85 million Roads to Recovery funding.

\$271 million for WA plus \$53 million in roads to recovery and \$34 million for the Northern Territory plus \$7 million in Roads to Recovery.

THE OFFICE OF NORTHERN AUSTRALIA

I want now to turn to the newly established Office of Northern Australia – of which I am very proud to say I have stewardship.

In simple terms, the principal role of the Office of Northern Australia will be to facilitate and foster conversations on the broad sweep of issues relevant across northern Australia, from east to west.

The Office will then draw on these conversations to inject an understanding of northern Australia into the Canberra policy mix.

The success of the Office will depend on establishing strong links between governments, industry and communities right across the North.

This will allow us to develop a shared vision for the future and to pursue innovative ideas that build our capacity and our economic prosperity.

Gaining this understanding is crucial to Northern Australia's ongoing development, and its economic, social and environmental prosperity.

You know that people in Broome have more in common with people in Townsville than they do with people in Perth.

And you know that people in Mt Isa have more in common with people in Port Hedland than they do with people in Brisbane.

Many of these common issues have been reinforced to me again and again as I have been travelling across Northern Australia consulting with people who live and work here in the north.

Issues such as:

water availability and water resource planning;

skills shortages;

housing affordability and availability;

the desperate need for improved health, education and community services;

infrastructure needs, and particularly transport infrastructure;

access to broadband and other critical services; and

sustainable indigenous business opportunities - just to name a few.

But of course there are no quick fixes or one-size-fits-all solutions, which is why this conference, and conferences like it, are so important for bringing people together to discuss the sustainable development of Northern Australia.

The Rudd Labor Government is committed to working closely with the northern jurisdictions and with business and communities to ensure the best possible outcomes for Northern Australia.

NORTHERN AUSTRALIA LAND AND WATER TASKFORCE

Before concluding, I want to update you on the status of the Northern Australia Land and Water Taskforce.

On the 26th of September, I was pleased to be able to officially announce the new terms of reference and membership of the Northern Australia Land and Water Taskforce.

Prior to the election, the Government committed to expand the terms of reference of the Taskforce to include a broader range of economic development opportunities, in addition to agriculture.

The new terms of reference deliver on this commitment and ask the Taskforce to examine the broad sweep of opportunities for new sustainable economic development across northern Australia that are based on using the water resources that are available there.

The Taskforce has also been asked to focus on opportunities that avoid repeating the mistakes made in the south, as well as to clearly identify the potential impact of new developments on the natural environment, on other water users and on the broader community.

I have asked the Taskforce to provide an interim report to me before the end of this year with a final report to be delivered before the end of next year.

Prior to the election, the Government also committed to change the membership of the Taskforce by removing the politicians previously appointed and by adding new members to boost its expertise in areas such as science, conservation and resources.

The new membership of the Taskforce delivers on this commitment.

The Taskforce was previously chaired by Senator Bill Heffernan and I would like to again acknowledge the valuable contribution Senator Heffernan has made in examining future sustainable development in Northern Australia.

The new Taskforce will be Chaired by Mr Joe Ross, the prominent Western Australian Indigenous leader from Fitzroy Crossing and Chair of the North Australia Indigenous Land and Sea Management Alliance's Indigenous Water Policy Group.

Joe has a wealth of experience working for his community as well as across the North and will bring a tremendous level of energy and passion for Northern Australia to the role of Chair.

Joe will be joined by new members

Waly Wunungmurra from the Northern Land Council
Richard Ah Mat from the Balkanu Cape York Development Corporation
Shirley McPherson from the Indigenous Land Corporation
Stuart Blanch from World Wildlife Fund
Queenslander Rosemary Hill from the Australian Conservation Foundation
Elaine Gardiner from the Ord Irrigation Cooperative
Michael Roche from the Queensland Resources Council, and
Bob Wasson from Charles Darwin University.

I am also delighted a core group of the original members agreed to continue the work of the Taskforce, including Mr David Baffsky, Mr David Crombie, Queenslander Dr Andrew Johnson, Mr Lachlan Murdoch and Mrs Terry Underwood.

They will provide the new Taskforce with a link to the important work that was completed by the Taskforce last year.

I genuinely look forward to the insight and direction this group will be able to provide the Office of Northern Australia.

CLOSING

The Government recognises that when local people drive the agenda, its local people who make the decisions about the world they live in and it is local people who can reap the benefits.

We are committed to a fresh approach and we are genuinely interested in the creative and innovative ideas you will generate at this conference.

I apologise that I will have to leave before lunch as I am travelling to Townsville to meet with community and industry in the last of our consultations around the priorities for the Office of Northern Australia.

I wish you well with your discussions and workshops.

Thank you