

**NATIONAL PRESS CLUB SPEECH
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MINISTER FOR REGIONAL AUSTRALIA, REGIONAL DEVELOPMENT AND LOCAL GOVERNMENT
MINISTER FOR THE ARTS**

**WEDNESDAY 29 SEPTEMBER
CANBERRA**

(CHECK AGAINST DELIVERY)

Driving Economic Growth – A Regional Dimension

- President of the National Press Club Ken Randall and other members of the Board
- Ladies and Gentlemen

I am delighted to be here today at the Press Club and welcome the opportunity to lay down my vision for regional Australia.

This is a great platform to discuss the key issue of regional development on the first sitting day on the 43rd Parliament.

But I am here on a very strict timetable. I have received permission from the Opposition Leader Tony Abbott to be absent from Parliament for exactly 90 minutes to make this address and answer questions – from 12.15pm to 1.45pm and not a minute longer.

This event almost did not go ahead. Despite repeated requests yesterday from the Government it was only at 8.30pm last night that I received a written guarantee of “a pair” to cover my absence from Parliament to be here.

If this is the on-going attitude of Tony Abbott it does not augur well for the running of the new Parliament.

Nor his commitment to cooperate in its running, not just its accountability.

And the question must be asked, is my pairing a one-off, because my speech has been advertised for more than a week.

Will this be the first and only lunchtime address to the National Press Club during Parliamentary sitting of the 43rd Parliament? I certainly hope not, but that is question for Tony Abbott, and I intend to make the most of this opportunity and look forward to your questions at the conclusion of my speech.

An Enduring Interest in Regional Australia

I have had a deep and enduring interest in regional Australia and a strong belief in local empowerment throughout my 20 years in public office.

From my days as Primary Industries Minister and Employment and Education Minister in the Hawke and Keating Governments, and later as Shadow Minister for Regional Development, I have recognised that effective regionalism requires not just an understanding of the nation's diversity (a diversity by which our geography does define different paces of economic development) – but also that effective local empowerment produces more efficient and more satisfying outcomes, and can deliver a real productivity dividend for the nation.

I have in past weeks quipped to colleagues that while I wrote the policy on regionalism in 2007 based on that experience, it wasn't enough to get it top billing – but with a few extra friends on board in a minority government, regionalism has now been given the priority it deserves.

I couldn't be more delighted.

I'm also heartened to note the extent to which we now have some serious media attention being directed towards regional Australia.

Let there be no doubt about my enduring interest in regional Australia. My approach is shaped by:

1. A deep understanding of our nation's diversity
2. A recognition of our vast geography
3. A commitment to meeting the needs and aspirations of all Australians, and
4. A belief that our national economic growth can be maximised if we ensure that our local economies are efficient, competitive, productive, and innovative.

Local empowerment is about recognising that in our federalist structure, the needs and aspirations of our people can best be met by allowing decision making about their economic, social and environmental wellbeing to be made closer and closer to the people most affected by those decisions.

This Parliament and this Government have been presented with a rare opportunity to entrench regionalism within the framework of government.

Helped of course by the shared commitment by the rural Independents and an agreement which will deliver real benefits to communities right across regional Australia.

Empowering Local Communities

There are three considerations that guide my vision of a better future for regional Australia.

- We need to ensure that economic growth and sustainable development is the driving influence in all regions of the nation.
- We are required to operate within a Federal structure that gives expression to the hopes and aspirations of all Australians
 - Noting of course that our Federal system only recognises two tiers of government, yet depends on three levels of government for service delivery
- And third, I hold firm to an inherent belief that the best way to balance the economics, the politics and the geography of diversity and sustainability is to understand the importance of local engagement - to more effectively empower local communities.
 - Local communities deserve to have their voices heard at all levels of government. But beyond hearing their views, the challenge to all communities is to ensure they advance considered proposals that promote local interests in an efficient, productive and sustainable way.
 - We don't want wish lists. We want communities to be able to take responsibility for charting their economic, social, and environmental wellbeing and devise a way forward that stacks up against sound socio-economic principles.

Regional development is not about political largesse at election time. Too often, that has been the lens through which regionalism has been viewed.

Instead, we need to view regional development through the lens of economic, social, and environmental development.

Indeed, taking a regional perspective recognises that, at any point in time, various parts of a region will be growing while others will be diminishing.

The role of regional development policy ought to be to support regions to grow while ensuring that individuals are able to best manage their transition to a more diversified economic base - to other centres that are growing with new employment and lifestyle opportunities.

For instance, the Labor Government's National Broadband Network – a matter to which I shall return later – is fundamentally about laying down a new infrastructure that can serve as the new growth platform for enterprise across the nation. Wherever one is living.

It will open up new businesses and transform the operations of existing business.

Importantly for Australians living in our regions, in economic and social terms it enables one to overcome the tyranny of distance. The economic and social significance of that should not be underestimated or dismissed lightly, as it often is by those who purport to be the only supporters of economic righteousness.

Regional development is fundamentally about economic development and reforms that allow markets to work and individuals and communities to enhance their wellbeing.

The term has been used a lot of late, but executed properly, this is the new paradigm for regional Australia.

This new paradigm effectively turns Australian Government upside down – we want solutions coming up from local communities not being imposed from above by Canberra.

At the same time, I also issue a challenge to local communities and regions to come up with effective strategic plans rather than simple wish-lists.

Localism

As I indicated earlier, empowerment of local communities is the key to unlocking the economic and social potential in regional Australia.

As Primary Industries Minister in the Hawke Government, I recognised that local involvement through the Landcare network was critical in achieving more efficient and sustainable outcomes for the management of our natural resources.

Reform of markets such as dairy and wool were important and signalled to both producers and workers that the path to our economic future was not in the old ways of doing business, but in innovation and higher value add enterprises.

As Employment and Education Minister in the Hawke and Keating Governments, I established local networks (Area Consultative Committees) to drive a better match between the demand and supply of skills needed in local communities.

Many will recall that the ACCs were the forerunner for today's network of Regional Development Australia committees.

The ACCs were successful in balancing the demand for labour with the skills training and development needed to supply that labour – a challenge that remains crucial in many of our regional communities to this day.

This year as Education and Employment Minister, the *Building the Education Revolution* program delivered another timely reminder of the true merits of local empowerment.

Without doubt, the most successful BER projects were those that featured genuine consultation between local school communities and the relevant State authorities.

So my commitment to local empowerment is deeply held from my many years of practical experience and when used properly, achieves the balance of national objectives and local delivery.

Mine is a genuine belief that we deliver better outcomes when we give local communities a real voice.

Importantly, in adopting this perspective, there is a better chance of maximising the value and efficiency of investments made and in meeting the needs of our producers, consumers, and workers.

Local Government

The role of local government will become ever more important in our new approach to regional Australia.

Local government plays a vital role in the life of our nation – not only in the delivery of services, but in building communities, planning for future challenges and strengthening partnerships beyond shire boundaries with business, community and all levels of government.

The Government recognises that local governments are being required to do more to meet regional challenges such as population growth, an ageing population and building future prosperity and sustainability.

Yet Australia has a Constitution which does not recognise this important tier of government. This must be rectified.

That's why the Government has committed to seek recognition of local government in the Constitution - something to which the Coalition has also agreed.

But in pursuing constitutional change, experience reminds us of the critical need to build community support and consensus.

Without broad community support for the recognition of local government in our Constitution, any referendum would be doomed to failure.

I have enjoyed a long association with local government since my time as Shadow Minister for Regional Development.

And I was particularly pleased to see a national platform for this important tier of government through the Australian Council of Local Government which was established by the Labor Government in 2008.

The Council has given a stronger voice to local government on matters of national significance.

This is good news for regional Australia.

Entrenching the New Regional Agenda

Let me say a few words about how we will set about entrenching local empowerment in the processes of Government.

The principal role of the new Regional Australia and Regional Development Committee of Cabinet will be to ensure strategic direction on community priorities and coordination across portfolios.

The Committee will play a critical, whole-of-Government coordination role to ensure that:

- Regional Australia enjoys a fair distribution of national resources
- Government decisions take genuine account of the needs and priorities of regional communities
- Decisions of the ERC are taken in the full knowledge of their impact on regional Australia, and
- We prepare a breakdown of the budget which more clearly shows the pattern and priority of Commonwealth spending across all regions of the country.

This enhanced level of transparency will ensure the Government is held to account in terms of its commitment to the proportional allocation of spending – i.e. fairer outcomes for regional Australia

In talking with my Ministerial colleagues, I have already made it clear that portfolio ministers and their departments will need to be more responsive to the needs of regional Australia.

All sections of government need a change of mindset which sees the genuine embrace of regionalism within our national portfolio objectives.

It is not just about equity for Australia's regions. It is also about the way in which we more efficiently distribute the nation's assets.

The key to success will lie in measures to ensure that government expenditure and investment is both efficient, and takes proper account of the needs and priorities of local communities.

So minimising government failure is an important objective.

In addition, we are establishing a new House of Representatives Committee on Regional Australia allowing Members to inquire into the needs and resourcing of our regions and the impact of legislation on regional communities.

We are also funding the creation of a Regional Development Policy Centre to provide an additional source of independent advice for both the Parliament and the wider community.

Entrenching local empowerment and regionalism in a whole-of-government ment approach at the Federal level will clearly have knock-on consequences at the State and Local government levels.

Good proposals which stack up will invariably also require resources from these two levels of government.

They would be brave governments— regardless of their political make-up – that argued against such proposals.

Accordingly, effective regionalism will require more effective coordination at a whole-of-governments level.

A ministerial council including local government representation will therefore be an important addition to the COAG structure.

Infrastructure for Stronger Regions

Ladies and gentlemen.

Beyond the structure, the policy settings to which we are committed will be crucial to delivering the agenda.

All Australians, regardless of where they live or where they choose to live, want the opportunity to work, they want quality education and health services for their families, they want community amenities and they want a vibrant cultural life.

High speed broadband will be a key component in changing outcomes for Australians living beyond our city centres.

The NBN network is an economy-wide enabler which promises to break the tyranny of distance once and for all.

It will unlock great productivity gains all over the country – but in regional areas, it will present new and exciting options for the way in which Australians live, work, study and enjoy life.

The UN Commission describes broadband as a game-changer in the delivery of healthcare, digital education, empowering marginalised communities and mitigating climate change.

I have already held discussions with both Mike Quigley and Minister Stephen Conroy to start putting in place the processes needed to factor regional priorities into plans for the NBN rollout.

Mike Quigley and his team will deliver the NBN network.

The challenge for the rest of us is to develop the technical applications needed to best-utilise the network in ways that secure a quantum leap forward in service delivery.

Just think of what NBN can help us achieve in terms of improved health, education and e-commerce outcomes across the nation.

The interaction with NBN in these three areas will be vital to many regions across the country, but so too will be challenging each region to come up with the most creative solutions to that interaction.

Ultimately, NBN provides the infrastructure – much like railways and highways have – to allow new businesses to flourish, existing business to become more efficient, reduce the costs to business, and encourage innovation.

Resources to Regional Australia

Beyond broadband, other major projects are being rolled out across regional Australia to support economic growth.

Sixty per cent of our Nation Building infrastructure funding has already been allocated to regional Australia, as has the \$6 billion Regional Infrastructure Fund.

Building on these developments, the Government will continue to increase the level of resources available to regional Australia.

- We will invest \$800 million in a new Priority Regional Infrastructure Program that will fund projects identified by local communities.
- Regional universities and TAFEs will also have access to a dedicated Regional Priorities Round of up to \$500 million from the Education Investment Fund.

- There will also be a \$1.8 billion Regional Priority Round from the Health and Hospitals Fund to build and upgrade regional health infrastructure and support clinical training capacity in our regional hospitals.
- Importantly, the government will also carry forward its commitment to build the Inland Rail Link which has been so long awaited by many regional communities.
- Under the Government's *Building Better Regional Cities* program, funding will be provided to help facilitate the construction of up to 15,000 affordable homes in regional cities that wish to expand.
- And we will ensure that regional Australia receives a minimum population-based funding entitlement of all education resources.

While the Agreement covers the proportional application of these funding streams to non-urban regional Australia, it should be clearly understood that the Regional Development portfolio is responsible for all regions across Australia

The Building Block of RDAs

Today I have outlined my vision for a new approach to improving outcomes for regional Australia.

I have spoken about new models of governance and briefly mentioned the infrastructure on the ground, including the power of broadband.

Let me now return to the importance of partnerships and community engagement in driving better solutions.

We have defined 55 regions within regional Australia overseen by Regional Development Australia committees.

Through a strengthened RDA network we have an opportunity to not only give a voice to the regions, but to work across all levels of government to re-energise regional economies.

Run along similar lines to Landcare Australia, RDAs are a partnership between governments, regional development organisations, local businesses, community groups and key regional stakeholders.

The RDAs complement the work of local government.

They work to identify the economic, social and environmental issues affecting their local communities.

They know the strengths of their region; they know where the opportunities lie; and they are best-placed to identify the key action priorities for their region.

Regional business growth plans and strategies which cater to the strengths of a region will help support economic development, the creation of new jobs, skills development and business investment.

No matter where we go in Australia, we will find RDAs made up of local people who are volunteering their time, passion and expertise to help make their region the best place it can be.

RDAs are a great combination of community spirit and local empowerment.

They are already achieving some strong results for their regions.

We will work to further strengthen the role of RDA committees in giving voice to local communities across the nation.

The Arts

This leads me neatly on to the Arts – because the Arts is the all-important medium through which Australians tell the narrative of our nation.

While today's address is focused on regional Australia, it's also an opportune time to talk about one of my other great passions - the Arts.

I will of course be talking in greater detail on arts policy in the future.

I believe strongly that a creative culture allows us to experience the diversity and vibrancy of the Arts.

A creative culture ensures that our national stories are told.

A healthy creative culture is fundamental to a creative and productive society.

But a creative culture only grows with broad participation by all Australians.

The Labor Party has had a long and proud history of support for Australian artists over many years.

The links between creative talent, the creative industries and a more productive and innovative economy can be traced to the passion and the vision of Labor leaders past.

As Minister for the Arts, I am particularly keen to see young people get involved - not just in performance, but in all the associated industries.

There is an important role for government in providing education and training opportunities for artists and supporting workers in the arts sector, to position them to build successful careers.

Participation in the Arts helps to develop the self-confidence and expression that is so critical in an age in which communication is so important.

Australia has a deep well of creative talent. Through our schools, colleges and universities we can do more to help unleash that talent.

We need to tap this talent more effectively in developing our creative culture. Travelling performances to the regions is a priority, but so too is the tapping of our regional talent.

Local Art centres, including indigenous art, in regional and remote areas are vital in the opportunities they provide to both emerging and established artists.

They bring real money to their communities and underpin improved outcomes for Indigenous people in other areas such as health and education.

This highlights the synergies between the Arts and regional empowerment.

The Australian Government will strengthen its support for the Arts with the release of Australia's first national cultural policy in almost two decades.

This is an important priority for the Government.

It will include looking at cultural activity for rural and regional communities and building key creative industries.

The finalisation of a national cultural policy will demonstrate the Government's leadership in valuing a creative culture and the place of arts and culture in our society.

As Minister, I will be working with the arts sector to identify the priorities for a cultural policy framework.

We need to look at how we support this valuable sector and consider new models for promoting stronger engagement between arts organisations and the philanthropic and business communities.

Conclusion

Ladies and gentlemen.

Now more than ever, our national future — our economic, social and cultural well-being — relies on understanding and shaping the mosaic of Australia's regions that combine to represent the big picture, our common national aspirations and interests.

My aim is to entrench regionalism as a real voice for determining the way in which resources are allocated by all levels of Government.

I want it entrenched in a way that cannot be unpicked. The same way in which Labor's reforms in Medicare and superannuation could not be unpicked.

Now with a regional policy seat at the Cabinet table – and through it, the coordination of the other seats of portfolio significance to our regions - I believe that a renewed focus on regionalism and on regional policy will become a fundamental part of 21st century nation building.

It will be my role to question every decision made in terms of what it will mean for our regions.

Through the new Parliament we have a once in a generation opportunity to get regional policy right.

Here is our chance to put behind us the days of piecemeal opportunism.

Now is the time to be creative, constructive and strategic.

This is the yardstick by which I, and the Government, will be held to account.

Thank you.