

REGIONAL AUSTRALIA: PARTNERS IN GROWTH

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OVERVIEW

Regional Australia: Partners in growth

Since coming to office in 1996, the Federal Government's policy agenda has been firmly directed towards ensuring Australia faces its future with confidence and certainty.

As a nation, we are operating in an international economic environment – the decisions we have made will ensure Australia remains strong, competitive and technologically advanced in this new century.

The Government's economic management has achieved sustained low inflation and low interest rates, boosted employment growth, provided a strong platform for national development and international investment, and seen our country continue to prosper despite difficult and uncertain international circumstances.

In recent times, the global economic outlook has again become clouded, but given the reforms we have made, we can be confident of Australia's economic strength.

The Government recognises, however, that globalisation and structural reform have been difficult for some sectors of our community. While many regions are reaping the benefits of economic reform and successfully attracting national and international investment across a broad range of industries, others are continuing to struggle with change.

This Government's goal is to ensure that all Australians share in the wealth of the nation and the opportunities presented in this new century, regardless of where they live.

We have been listening to what communities are saying about what 'a future' in remote, rural and regional Australia should mean. We have heard that communities want governments to invest in the building blocks of development – health, education, communications and a sustainable environment. We have done so, and we will continue to do so, to help communities in regional Australia remain strong and resilient.

We will also continue to ensure that Australia has a strong economy capable of delivering employment growth. However, we will focus our attention more strongly on the impact of economic and social policy on individual communities.

The Government is committed to addressing the challenges of change in partnership with rural and regional communities, the private sector and all spheres of government. Two major forums – the Regional Australia Summit held in October 1999 and the Northern Australia Forum held in October 2000 – and an intensive series of local consultations have identified the priority areas for action.

These include, for example, improving access to essential services, upgrading physical infrastructure, designing more flexible assistance programmes, addressing major environmental concerns and, importantly, empowering communities to drive their own futures.

The Government's policy responses in previous Budgets, and again in this year's Budget, strongly reflect these priorities.

For example, in its response to the Telecommunications Service Inquiry, the Government is providing more than \$163 million over five years to ensure Australians living in regional and rural communities have access to a decent, affordable and reliable phone service. The funding will strengthen the Customer Service Guarantee and Universal Service Obligation, improve and extend mobile phone coverage, provide for better quality and faster access to dial-up internet services, improve payphone and other services for Indigenous communities in remote areas, and assist significant telecommunications projects in the education and health services sectors.

Measures to enhance rural nursing opportunities, totalling \$117.3 million over four years, reinforce our policy commitment to rebuilding a quality health workforce in rural and regional Australia by encouraging people living in rural Australia to consider nursing as a career and providing incentives for doctors to employ nurses within rural practices.

The allocation of \$1 billion over five years for the extension of the Natural Heritage Trust will continue to address the many environmental challenges facing this nation, while the \$1.4 billion National Action Plan for Salinity and Water Quality will address two of the most critical issues facing our regions. The Government will also contribute \$75 million to a joint Federal, New South Wales and Victorian Government effort to improve the environmental flows down our magnificent Murray River.

The largest Budgetary allocation in almost a decade – more than \$1.8 billion in 2001-02 – is being directed towards our nation's roads. This includes \$722.3 million for local governments and \$48.8 million to help eliminate around 400 crash 'black spots', almost half of which are in rural and regional areas. Another \$110 million in 2001-02 will be directed towards the \$1 billion Alice Springs to Darwin railway, which will generate 2,000 jobs during its three-year construction.

We have recently seen the devastation exotic diseases such as foot and mouth can wreak on agricultural industries. The Government is providing around \$600 million over five years to strengthen our defences against the threat of such diseases.

The Federal Government is also committed to supporting individuals and families when they need it, no matter where they live.

An increase to the maximum pensioner rebate and low-income aged persons' rebate will help take the pressure off some of the more vulnerable members of our community by enabling pensioners and self-funded retirees to earn substantially more income before they have to pay income tax.

The Government has also listened to the concerns of farmers in implementing its changes to the treatment of private trusts and private companies, to ensure that 'succession planning' for farms is not adversely affected. It is also providing a \$17.4 million over three years extension to the Rural Financial Counselling Service.

Through our welfare support system, Australia provides a strong safety net for when people need it most, but that system can be improved, particularly for those of working age.

A \$480 million over four years boost to Centrelink to provide more assistance to people who are having difficulty finding or holding down a job is another critical component of this year's Budget. With almost half of this funding to be spent in regional Australia, the package will significantly enhance services for people living beyond the major metropolitan centres, particularly in areas where unemployment remains high. An additional \$112 million is also being provided to the Job Network, with 40 per cent of that funding to be spent in rural and regional areas to ensure all Australians get a fair go.

Specific initiatives to be undertaken with this funding include expanding job search facilities in rural Australia, reducing disincentives to taking up intermittent and casual work (such as harvest work), improving older workers' chances of getting a job, and promoting self-reliance for Indigenous people.

Education, too, remains a strong focus, being a critical plank for future growth. The Government is providing funding for an additional 670 undergraduate student places for regional higher education institutions and campuses, with the number rising to more than 1,800 places per year as students continue through the system.

These initiatives build on the solid foundations that have been laid in previous Federal Budgets, foundations that include the \$309.4 million Agriculture - Advancing Australia Package; \$562.1 million Regional Health Strategy; \$250 million Networking the Nation Programme; \$260 million Regional Equalisation Plan; \$240 million Stronger Families and Communities Strategy; the Regional Solutions and Rural Transaction Centre Programmes; and region-specific structural adjustment measures such as the \$1.8 billion dairy package.

These substantial measures are aimed at improving rural and regional access to essential health, telecommunications, community and financial services. Importantly, they are also helping individuals and communities to identify and develop local solutions to local problems.

The Government also believes in celebrating what it is to be Australian, particularly in this year of the Centenary of Federation. The Centenary of Federation Fund is helping to support a broad range of projects across Australia, including many in regional areas, which will make a significant and ongoing social and cultural contribution to local communities.

This Government has, and will continue to respond to the challenges that Australians, no matter where they live, rightly expect their government to manage.

Our sound macro and micro-economic management of the Australian economy, and specifically tailored policy initiatives, are beginning to make a real difference in regional Australia. Many communities are discovering new industries and are beginning to reap the benefits of diversifying their economic base, while those still reliant on traditional agricultural industries are also benefiting from booming export markets for our commodities.

We have embraced, and will continue to work towards, achieving the national goal for the future development of regional Australia articulated by the Regional Australia Summit Steering Committee –

A strong and resilient regional Australia which, by 2010, has the resources, recognition and skills to play a pivotal role in building Australia's future and is able to turn uncertainty and change into opportunity and prosperity.

REGIONAL BUDGET HIGHLIGHTS

Budget initiatives highlighted in this section are covered in more detail in the main body of this Statement, as well as in the Budget papers. Highlights for 2001-02 include:

INCOME SUPPORT AND EMPLOYMENT ASSISTANCE

A \$480 million boost to Centrelink will provide more assistance to people who are having difficulties in finding or keeping a job. Measures that particularly affect regional Australians include:

- Helping People to Find Jobs, designed to enhance Work for the Dole, Job Search Training, and Intensive Assistance programmes, with 40 per cent of the allocated \$112 million to be spent in rural and regional Australia;
- A Fair Go for Older Workers, which will assist older jobless people who face particular disadvantages in a changing labour market by providing additional places in employment, disability, education, training, volunteering and transitional programmes. Rural and regional areas tend to have higher concentrations of people in this group;
- increases to the maximum pensioner rebate and low-income aged persons' rebate will enable pensioners and self-funded retirees to earn substantially more income before they have to pay income tax. Anyone of age pension age with an income of \$20,000 or less per annum will not pay income tax;
- increases to the Medicare levy threshold as it applies to senior Australians will ensure that single senior Australians with incomes up to \$20,000 will pay no income tax or Medicare levy in future; and
- an integrated IT system to improve flows of information between Centrelink and service providers will be developed, allowing regional communities to build profiles of local services. The enhanced Supported Participation Programme will assist more than 45,000 people nationally, of whom around 40 per cent will be in regional areas.

In addition:

The Working Credit initiative will benefit rural workers in seasonal jobs such as harvest work, allowing the smoothing out of income over time and removing disincentives to report earned income.

Changes to trusts and companies address farmers' concerns about succession planning. From 1 January 2002, the Social Security means test treatment of private trusts and private companies will change so that the assets and income of these

structures will be attributed to the person who controls, or has contributed significant assets to, the structures.

The training credit for Work for the Dole and voluntary work includes expenditure of around \$20 million in regional Australia.

COMMUNICATIONS

As part of its response to the Telecommunications Service Inquiry report (the Besley Report), \$163.1 million is being provided to improve telecommunications access in regional Australia. Initiatives include:

- further strengthening of the Customer Service Guarantee to reduce new service connection times and strengthening of the Universal Service Obligation in relation to the provision of temporary services;
- \$37.7 million for mobile phone coverage in population centres of more than 500, subject to confirmation of community needs and ongoing viability;
- \$50.5 million for improved mobile phone coverage in other areas;
- \$50 million for better quality and faster access to dial up internet services;
- \$52.2 million for a National Communications Fund;
- improved payphone and other services for Indigenous communities in remote areas; and
- \$3.4 million to fund increased consumer representation.

ROADS AND RAIL

The largest allocation in almost a decade - \$1,819.6 million - is being directed to the nation's roads, including around \$722.3 million to local governments for discretionary roads spending and \$48.8 million to eliminate approximately 400 crash 'black spots', about half of which are in regional areas.

The Government is committing \$110 million in 2001-02 to the \$1 billion Alice Springs to Darwin railway, which will generate 2,000 jobs during its three-year construction.

ENVIRONMENT

A \$1 billion extension of the Natural Heritage Trust will continue to address the many environmental challenges facing Australia, this will build on the the \$1.4 billion

National Action Plan for Salinity and Water Quality, addressing two of the most critical issues facing rural and regional areas. The Government will also contribute \$75 million to a joint Federal, New South Wales and Victorian Government effort to improve the environmental flows down the Murray and Snowy Rivers and key alpine rivers.

HEALTH

Measures worth \$117.3 million provide incentives for doctors to employ nurses within rural practices, and encourage rural Australians to consider nursing as a career, or to return to nursing through:

- financial support to enable doctors in rural areas to employ practice nurses;
- funding for professional support for practice nurses;
- scholarships for ex-nurses considering a return to nursing, with particular emphasis on those nurses who may wish to concentrate on primary and community care;
- encouragement for Indigenous Australians to take up nursing as a career, including undergraduate scholarships, and mentoring schemes; and
- training to assist rural nurses in communicating effectively with Indigenous Australians.

STRUCTURAL ADJUSTMENT

Assistance worth \$26.4 million over four years for the Agricultural Development Partnerships programme. This will support structural adjustment targeted to specific agricultural industries and regions experiencing significant problems that are affecting farm profitability and sustainability.

The South West Forests of Western Australia Structural Adjustment Package responds to changes in the timber industry in that region, by providing \$5 million to support industry diversification and employment generation.

In addition \$17.4 million over three years will extend the Rural Financial Counselling Service, which assists businesses in rural Australia – particularly farm businesses – to deal with a range of financial pressures and adjustment issues.

FLOOD MITIGATION

A new Federal Flood Mitigation Programme of \$40 million over four years will assist State and Territory Governments and local agencies to reduce the risk and damage

caused by floods in regional, rural and outer metropolitan areas of Australia. It will boost safety, economic prosperity and employment in those parts of Australia most prone to flood events and cyclone-related flooding.

EQUITY OF SERVICES

Employment

AUSTRALIANS WORKING TOGETHER – HELPING PEOPLE TO MOVE FORWARD

The Federal Government is committed to maintaining the strong safety net that Australia already has. Australia's system provides help when people need it – for the aged, when people lose their jobs, when families split up, and in cases of serious illness or disability.

However, for those of working age, the system can be improved. We need to make sure that it provides help to those who really need it – not to those who don't. There are some people who through no fault of their own, need ongoing government support. For others, it should be seen as a last resort, and they should be given every assistance to return to self-reliance.

As outlined in the statement *A Stronger Fairer Australia* last December, the Government is moving to ensure that we provide people of working age with as much encouragement as possible to get a job, to gain new skills and to be involved in their community.

The Government is moving to ensure we strike the right balance between support, incentives and requirements. It will make certain that the system provides support to look for and find full-time work, to gain and maintain skills, and to take temporary work for a few hours or a few weeks. We will provide more assistance to people with difficulties in finding or holding down a job so that, in time, they can overcome them.

To be able to do this, the Government will strengthen the ability of Centrelink, the Job Network and other service providers to provide individualised, one-on-one service, where appropriate.

To make the new approach work, the Government will consult widely about the measures it is announcing, so that:

- the views of all groups and communities affected are taken into account before the new initiatives are put into place; and
- changes are implemented effectively and sensitively.

Consultation with affected groups and communities will begin almost immediately, to allow sufficient time before the new initiatives begin so the full range of views are heard.

While the package introduces additional requirements for parents and certain older unemployed people, these will be administered sensitively, and take account of people's abilities and the availability of local work. The initiatives will be tailored to increase people's motivation and self esteem, and ensure they can update their skills and contribute to their community.

The package provides \$480 million in additional funding for Centrelink, almost 50 per cent of which will be spent in rural and regional Australia. There is also additional funding of \$112 million for Job Network providers, about 40 per cent of which will be spent in rural and regional Australia (see also page 11). The Government is committed to ensuring that rural and regional Australians get a fair go.

Initiatives of particular relevance include:

- **Helping People to Find Jobs.** The Government will be spending around \$109 million on training credits, so that eligible job seekers can gain work-related skills. Of this, approximately \$48 million will be spent in regional Australia. This is aimed at helping prime working-age unemployed people return to work. It will improve employment assistance outcomes across urban, regional and remote areas by enhancing Work for the Dole, Job Search Training and Intensive Assistance programmes. Just over 40 per cent of the proposed expenditure in the measure will be spent on rural and regional Australia. Of the additional 16,500 Work for the Dole places over the three years to 2004-05, approximately 7,800 will be in rural and regional Australia, and of the additional 30,000 Job Search Training places over the three years to 2004-05 approximately 12,000 will be in rural and regional Australia.
- **Help to Participate.** The Working Credit initiative will be of particular benefit to rural workers in seasonal jobs such as harvest work, allowing the smoothing out of income over time and removing disincentives to report earned income. Reducing disincentives to take up intermittent and casual work will assist regional economies.
- **Getting the Right Help.** The Personal Support Programme will assist more than 45,000 people annually nationwide by 2004-05, of which around 40 per cent will be in regional areas. The integrated IT system initiative will improve flows of information between Centrelink and service providers in regional communities, and allow Centrelink and service providers to better understand the available local services.
- **A Fair Go for Mature Age Workers.** This includes a range of measures designed to improve older workers' chances of getting a job, including simplifying payment arrangements, voluntary planning interviews and extending access to Intensive Assistance and Literacy and Numeracy training. The benefits of this initiative will be felt more in rural and regional areas, which tend to have a high concentration of older jobless people. Fifty-one per cent of Newstart Allowance recipients aged 50 and over and 54 per cent of Mature Age Allowance recipients live in non-metropolitan areas.

- **Community Engagement.** People in regional Australia will be a key target audience for the Government's consultation process. This will ensure that Government receives ongoing feedback on the regional and rural impact of the new measures. The Prime Minister's Community Business Partnership will also promote business and community partnerships in local regions.
- Consultation under the welfare reform process will go hand in hand with the projects being developed under the Stronger Families and Communities Strategy, particularly:
 - Potential Leadership in Local Communities, which will identify and support potential community leaders from outside industry and government and who live in socially disadvantaged areas;
 - Local Solutions to Local Problems, which recognises great diversity in communities and the potential local responses; and
 - Can Do Community, which showcases Australian best practice and encourages people to participate in community life.
- Centrelink's key role as the gateway to the new system will ensure that welfare reform is delivered through a national network of offices with a strong regional and rural presence.
- **Promoting Self Reliance for Indigenous People.** Employment outcomes and service delivery for Indigenous Australians will be improved through:
 - developing Community Participation Agreements negotiated between ATSIC and remote Indigenous communities;
 - expanding of employment services for Indigenous people by contracting Community Development Employment Project organisations to take the role of Indigenous Employment Centres;
 - assistance to Indigenous students to stay in school or undertake vocational training; and
 - improving access to Centrelink services for remote Indigenous communities.
- **A Better Deal for People with Disabilities.** Through this measure the Government will provide funding to assist people with disabilities to improve their employment prospects and community engagement through increasing their participation in mainstream education and training. It will provide:
 - about 5,200 additional vocational education and training places over three years (with the number of places to be settled in discussion with the States and Territories);

- additional support for more than 1,500 people with disabilities in higher education; and
- a new Disability Coordination Officer programme to assist people with disabilities to move between school, vocational education and training, higher education and employment, and to succeed in their education and training.

These measures will significantly enhance services to rural people and particularly assist regions where unemployment remains high.

JOB NETWORK

Job Network is a national network of around 200 organisations dedicated to finding jobs for unemployed people, particularly the long-term unemployed. The second Job Network contract, which runs from 28 February 2000 to 2 March 2003, is building on the success achieved since May 1998 during the first Job Network contract. The Budget provides \$3 billion from 28 February 2000 to 2 March 2003 for the purchase of Job Network employment services.

In Job Network 2, there has been a significant increase in the number of outlets in rural and remote areas, providing services for both job seekers and employers across Australia. Job Network 2 services are delivered through more than 2,000 Job Network sites in both city and regional areas (including 290 outreach locations). Compared with the first Job Network contract period, the number of sites in regional Australia has almost doubled, with an increase from about 600 to around 1,100. This compares with the 296 Commonwealth Employment Service sites that were available Australia wide to metropolitan and regional and rural job seekers under the old scheme.

There are currently 28 Job Network members delivering Specialist Intensive Assistance Services from more than 111 sites across Australia (including 13 outreach sites). Specialist Intensive Assistance providers deliver assistance to job seekers with particular needs, for example Indigenous peoples, people from a non-English speaking background, young people and people with a disability.

Job Network access

Any person looking for work is able to use the job search facilities provided through the Employment Self Help facilities free of charge. These have been implemented in 310 Centrelink Customer Service Centres, 175 of which are located in regional and rural areas.

Computers in these self-help facilities have internet access to the Australian Job Search web site, which at any time has the details of more than 40,000 jobs Australia wide. This site also enables job seekers to submit their résumé details through the résumé builder facility where they can be automatically matched against new jobs on the system. Job seekers with résumés can also be contacted by prospective employers

through the system. This initiative benefits all job seekers, but significantly improves the job prospects of those living in regional and rural areas.

WORK FOR THE DOLE

Funding for the 2001-02 financial year for the Work for the Dole Programme will be \$106.7 million, with around one third of this funding expected to be directed to projects in regional Australia. The programme is a key component of the Government's mutual obligation arrangements. In 2001-02, there will be 50,000 Work for the Dole places for job seekers.

Work for the Dole activities are located primarily in areas of high youth unemployment, with an emphasis on outer-metropolitan, regional and rural areas. In March 2001, the Programme was extended to include Green Reserve, a new community-based scheme for unemployed people aged over 40 who are on the full Newstart Allowance rate. Thirty-two Green Reserve projects were initially announced, with 70 per cent of the 196 places announced in regional Australia.

INDIGENOUS EMPLOYMENT

A significant number of Indigenous Australians live in regional and remote areas. A major focus of the Government's Indigenous Employment Policy is on increasing employment opportunities in the private sector.

The policy has three components - the Indigenous Employment Programme (\$50 million per annum), the Indigenous Small Business Fund (\$2 million per annum), and the complementary services of Job Network.

Some of the key elements of the Employment Programme include:

- the new Rural Pilot Projects, currently being developed to bring a local and regional focus to private sector involvement in improving the circumstances of Indigenous peoples through a tailored employment strategy;
- Community Development Employment Project Trials, in which nine contracted organisations provide practical assistance and support to participants in accessing mainstream sustainable employment services;
- Structured Training and Employment Projects (STEP), which provides Indigenous people with employment opportunities which have accredited training, particularly through new apprenticeships;
- Wage Assistance, which provides a financial incentive to help disadvantaged Indigenous job seekers to find long-term jobs, either through Job Network or their own efforts using an eligibility card; and

- The Corporate Leaders for Indigenous Employment Project, based on a partnership between private sector companies and the Commonwealth, which encourages private sector companies to develop a strategic approach to generating more private sector jobs for Indigenous Australians.

The Indigenous Small Business Fund fosters the development of businesses owned, operated and managed by Indigenous people and encourages sustainable regional Indigenous employment opportunities. Funding is provided in the range from \$5,000 to \$100,000 to Indigenous organisations to undertake business development initiatives.

Community Development Employment Projects

The Aboriginal and Torres Strait Islander Commission and the Torres Strait Regional Authority will spend \$491.7 million in 2001-02 on Community Development Employment Projects (CDEP) that offer meaningful work to 36,300 participants and that provide social, economic and cultural benefits to Aboriginal and Torres Strait Islander communities. Participants of CDEP voluntarily forego their government income support entitlement to work on these projects.

SMALL BUSINESS ENTERPRISE CULTURE PROGRAMME

The Small Business Enterprise Culture Programme was announced in May 1999 with a funding allocation of \$6.4 million for three years. Some \$2.2 million has been allocated for 2001-02.

The programme aims to develop and enhance the business skills of small business owner-managers, with a specific focus on mentoring and developing women as small business managers. Since the 2000-01 funding year, preference has been given to projects that will benefit small businesses in regional areas.

EMPLOYEE ENTITLEMENTS SUPPORT SCHEME

On 8 February 2000, the Government announced the establishment of the national Employee Entitlements Support Scheme and is providing \$40 million for the scheme in 2001-02. It has asked State and Territory Governments to provide matching contributions, although to date only the Northern Territory is contributing.

The scheme helps employees whose employment has been terminated as a result of their employer's insolvency and who are owed certain employment entitlements. It covers those employees dismissed on or after 1 January 2000.

Significant business insolvencies have a particular effect on regional centres, where local economies are sometimes largely dependent on the business concerned. A number of employees in regional Australia have been assisted under the scheme.

Family services

TRUSTS AND COMPANIES

From 1 January 2002 the social security means test treatment of private trusts and private companies will change. The assets and income of these structures will be attributed to the person who controls, or has contributed significant assets to, the structures. A special concession was developed to address farmers' concerns about succession planning. Wherever possible, other means test concessions will also be extended to controllers to ensure they receive similar treatment to people holding assets directly or in partnerships.

CENTRELINK SERVICES TO REGIONAL AUSTRALIA

Centrelink is the Commonwealth's primary service delivery agency, with responsibility for administering an extensive range of payments and services including social security payments, childcare assistance, the Retirement Assistance for Farmers Scheme, Farm Family Restart Scheme and Exceptional Circumstances Relief payments.

Expenditure under the National Rural and Regional Servicing Strategy for the years 1998-99 to 2002-03 is expected to be between \$8 million and \$9 million. Since the implementation of the National Rural and Regional Servicing Strategy in July 1998, Centrelink has been tailoring its services to the particular needs of small rural and regional communities, and has expanded its presence into many more communities with more than 189 new servicing arrangements. Funding for these services was made available from within existing resources.

Centrelink has established productive relationships with Federal Government, State and local governments and the private sector to improve access to Centrelink services for rural customers. Some examples of successful collaborative efforts include the partnerships with the WA Telecentre Network, Service Tasmania and the Commonwealth Department of Transport and Regional Services Rural Transaction Centre Programme.

Centrelink has trialed and implemented a range of technological solutions to improve services to rural and regional customers. These include:

- the use of video-conferencing facilities;
- use of the internet;
- investigating e-mail communication solutions;
- remote system access technology (known as Remote Access Services) through which staff use lap tops to remotely access the customer database; and

- the use of forms stored electronically on CD-Rom, which can be printed on demand for customers by agents and other intermediaries.

Centrelink currently has:

- 311 Customer Service Centres across Australia, of which 167 are located in or are responsible for delivering a service to rural and regional Australia;
- a network of more than 330 community-based agents and access points who provide a daily contact and information service on Centrelink's behalf (141 of these are specifically targeted at assisting Indigenous customers);
- approximately 140 visiting services to small rural towns, as well as many remote visiting teams servicing isolated Indigenous communities;
- two dedicated rural call centres in Maryborough, Queensland and Port Augusta, South Australia, to respond to rural customers' concerns about using the traditional call centre network; and
- a presence in 11 of the 21 new Rural Transaction Centres opened to date.

It has also established arrangements for the delivery of services with State agencies in Western Australia and Tasmania and is progressing relationships with the State Governments in New South Wales, Victoria, Queensland and South Australia.

The National Rural and Regional Servicing Strategy has recently been reviewed to consolidate existing servicing arrangements and to provide consistency in service delivery. As a result, a further 93 locations have been identified for the establishment of a Centrelink agent or access point.

FAMILY ASSISTANCE OFFICE

The Family Assistance Office (FAO) was established in existing Centrelink offices, Medicare offices and *ATOaccess* and enquiry sites in July 2000 and has more than 560 locations Australia wide. More than half are located in regional and rural areas. Families no longer have to deal with a number of different agencies to access family payments - they can do all of their family business in one place. This means that many regional and rural families now have access to family services where they previously may not have had.

LEGAL AND FAMILY LAW

Additional resourcing for Native Title

The Government will provide additional funding of \$86 million over four years from 2001-02, to the National Native Title Tribunal, the Federal Court, the Aboriginal and Torres Strait Islander Commission and the Attorney-General's Department to improve delivery of Native Title services. This additional funding will enable the speedier resolution of Native Title matters through the Federal Court and the National Native Title Tribunal, and provide additional resources to support participants in those processes. This will benefit all members of the community, both Indigenous and non-Indigenous, including those living in rural and regional areas.

Juvenile Diversion Scheme and Aboriginal Interpreter Service in the Northern Territory

On 10 March 2000, the Prime Minister and the Chief Minister of the Northern Territory announced that \$20 million in Commonwealth funding would be provided to the Northern Territory for a juvenile pre-court diversion scheme and a jointly funded Aboriginal interpreter service.

An agreement between the Commonwealth and the Northern Territory came into effect on 1 September 2000. Its aim is to divert juveniles from the criminal justice system and to alleviate the language barriers faced by Aboriginal people. The Commonwealth funding is for:

- the purchase and provision of community-based diversionary programmes in urban, rural and remote communities;
- a Juvenile Diversion Unit in the Northern Territory Police Force to administer the diversion process and conduct victim-offender conferencing and other programmes;
- a jointly funded Aboriginal Interpreter Service, including recurrent funding for training interpreters; and
- \$250,000 in the first year for training interpreters (in addition to the recurrent funding for training).

Coordinated through the Juvenile Diversion Unit, Northern Territory police are diverting juveniles who have been apprehended for offences, at the pre-court stage, through warnings, cautions or referrals to diversionary programmes and conferencing.

The Aboriginal Interpreter Service (based in the Territory's Office of Aboriginal Development) maintains a register of Aboriginal language interpreters and offers a central booking service for government and non-government agencies across the Territory that require on-site Aboriginal language interpreters. Under the agreement,

government health and legal services, as well as Aboriginal legal services, also receive funding to purchase interpreter services.

Regional and rural areas in the Northern Territory will directly benefit from both the juvenile diversion scheme and the Aboriginal interpreter service.

Law by telecommunications

The Government will contribute funding of more than \$1.3 million in 2001-02 to the Law by Telecommunications (LBT) Initiative. This initiative continues the work of the Rural and Remote Legal Advice Telephone Service and the Family Law Advice Telecommunications Service, two services that have been combined and integrated into the LBT Initiative, and which will become operational in June 2001.

The LBT initiative provides a national online gateway to information and assistance primarily for people dealing with the family law system. It comprises:

- a law and justice portal providing links to Commonwealth and State internet sites;
- a web browser enabled database containing national information on family law and child support issues, as well as referral information on legal and primary dispute resolution service providers; and
- a call centre providing assisted access to the information in the LBT database.

The call centre will directly assist all callers seeking information on family law, primary dispute resolution services or child support matters. Rural and remote callers requiring legal advice or general legal information who do not currently have access to these services will be directly transferred to an appropriate service provider. Other callers requiring this type of assistance will be referred rather than directly transferred.

Children's contact services

In the 1999-2000 Budget new funding of \$15.6 million over four years was announced to establish 25 new children's contact services to help separated families better manage difficult child contact arrangements. Some 80 per cent of these services are in regional and rural Australia.

Primary dispute resolution

In the 1999-2000 Budget, new funding of \$16.3 million over three years was announced for increased dispute resolution in family law matters. This funding will be used for many projects, including a national development strategy to create an environment that is in the child's best interests by promoting best practice dispute management services for separating parents. This strategy includes the design and conduct of professional development programmes targeted at legal practitioners, counsellors,

mediators and other family dispute resolution practitioners, and proposals for partnership projects to increase cooperation and coordination in providing post-separation services to families.

The Family Relationships Services Programme will receive \$3 million of this funding to increase the delivery of family relationship counselling services.

Crime prevention

The Federal Government committed a further \$21 million over four years in the 1999-2000 Budget to the National Crime Prevention Programme. The programme's objective is to identify and promote innovative ways of reducing and preventing crime and fear of crime. It includes both research and practical initiatives, such as national research projects, pilot projects and local prevention activities.

Priority areas have included: fear of crime, domestic violence, residential burglary, young people and crime, and violence in Indigenous communities. Projects located in regional and rural Australia with funding commitments until 2002 include: developing community responses to crime in the regional centre of Kalgoorlie, a project in Derby involving working with Indigenous young people to prevent family violence, and an early intervention project with young people and their families in Bunbury, Western Australia.

MEASURES FOR OLDER AUSTRALIANS

Increase in rebates for senior Australians

This Budget measure increases the maximum low income aged persons rebate and pensioner rebate for age and service (age) pensioners to \$2,230 for individuals and \$1,602 for each member of a couple, with effect from the 2000-01 income year. This will provide an effective tax-free threshold of \$20,000 for individuals and up to \$32,612 for couples.

The Medicare levy threshold increase for senior Australians, also announced in this Budget, will ensure that individual senior Australians with incomes up to \$20,000 are completely free from the Medicare levy as well, and therefore pay no income tax up to that level.

Increase in Medicare levy threshold for senior Australians

This measure will increase the Medicare levy thresholds so that senior Australians do not pay the Medicare levy until they start to incur a tax liability. This will be achieved by increasing the Medicare levy threshold to \$20,000 for senior Australians who are entitled to the low income aged persons rebate or pensioner rebate. These regulations take effect from the 2000-01 income year.

Seniors supplement

A one-off supplement of \$300 will be paid to all income support recipients of age pension age, including service pensioners, at a cost of \$663 million. This will provide help with the cost of living for individuals as well as providing a stimulus to consumer spending. People of pension age with low incomes who are not in the tax or social security systems can claim a one-off \$300 seniors payment at a cost of \$10 million. This will include groups such as farmers whose assets exclude them from the pension but whose incomes are too low to pay tax.

Extension of telephone allowance and pensioner concessions to Commonwealth Seniors Health Card holders and increased income limits for the card

The Government will extend the telephone allowance, currently available to pensioners, to self-funded retirees who qualify for a Commonwealth Seniors Health Card. Self-funded retirees of age pension age who hold this card will now be able to claim \$17.20 per quarter. To allow a greater number of older Australians to benefit from this measure, the Government will extend access to the health card by increasing the income limits for the card to \$50,000 per annum for singles, \$80,000 per annum for couples and \$45,000 each for couples separated by illness.

The Commonwealth will also negotiate with the State and Territory Governments to extend some or all of the concessions that are available to pensioners and certain allowees to Commonwealth Seniors Health Card holders

Restoration of War Widow's Pension to pre-1984 widows

The Government will restore the war widow's pension to approximately 3,000 widows who remarried before May 1984, and as a consequence became ineligible for their war widow's pension. This addresses a long-standing anomaly and ensures that all war widows are treated in a fair and consistent manner.

INITIATIVES FOR WOMEN

Four initiatives specifically for women will be funded in 2001-02.

National Initiative to Combat Sexual Assault

Building on its considerable record in domestic violence and crime prevention initiatives, the Government will provide funding of \$16.5 million over four years to facilitate a national approach to combating sexual assault against women.

The measure will be administered through the Office of the Status of Women. It will establish partnerships with other governments, key organisations and service

providers to develop, test and implement strategies to address the increasing incidence of sexual assault in the community. These will include campaigns to promote community awareness, ensuring the sharing of approaches to combating sexual assault and promoting best practice across jurisdictions and agencies.

National Leadership Initiative

The Government will provide an additional \$2.4 million over four years to extend Government activities that are increasing the participation of women in leadership positions and to promote leadership by women in non-elite roles, particularly women who are Indigenous, marginalised or disadvantaged, or who live in rural areas.

Informed Choices for Australian Women

The Government will provide an additional \$5.5 million over four years to develop a women's information strategy to improve access to government information for and about women. A key objective of this initiative will be to establish web-based access to integrated information for women and about women's circumstances and needs. In this phase, a comprehensive data warehouse, integrating statistical information about women's needs and circumstances will be established; government information relevant to women will be made accessible through a single web-site; a national conference for women in August 2001, *Australian Women Speak*, will consider contemporary issues and concerns; and a research and policy issues publications series relevant to women will be established.

Women's Development Programme

The Government will provide an additional \$5.6 million over four years to expand and enhance government support for women's organisations through the establishment of the Women's Development Programme. It will fund targeted research, policy and service development projects responsive to women's needs and circumstances, and will encourage and support women's contributions to Government policy formulation. The programme will also support women's capacity building and mentoring activities. The programme will be administered through the Office of the Status of Women and will bring their total funding for women's development to \$7.6 million over the next four years.

STRONGER FAMILIES AND COMMUNITIES STRATEGY

The Government committed \$240 million for the Stronger Families and Communities Strategy over the four years from July 2000. A significant amount of funding will go toward strengthening families in regional Australia through the establishment of new partnerships and will improve access to key services. Five of the nine elements of this Strategy are set out below, with the other four – Potential Leadership in Local

Communities, National Skills Development for Volunteers, Local Solutions to Local Problems and Can Do Community – set out in the Community Empowerment chapter.

Advisory mechanisms for the Strategy have been put in place and targeting plans have been developed. Twelve demonstration projects were announced in January 2001.

Stronger Families Fund, with funding of \$40 million, emphasises early childhood and parenting, and early interventions and prevention approaches.

Early Intervention, Parenting and Family Relationships Support, with funding of \$47.3 million, provides services and activities such as parenting support, playgroups, marriage and relationship education and family counselling, with a focus on regional Australia.

Greater flexibility and choice in child care, with funding of \$65.5 million over four years, provides for a package of measures to improve the ability of families to access and choose child care that meets their needs. This includes:

- more than 7,000 additional in-home care places being established from 1 January 2001 to help families with sick children, shift workers, families working outside of normal hours and families who live in rural and regional areas;
- incentives from 1 July 2001 for private long day care providers to establish in rural areas where there is currently no child care available;
- expanding quality assurance to family day care and outside school hours care services; and
- Introducing private operators to manage family day care schemes and outside school hours care schemes.

Longitudinal study of Australian children, with funding of \$6.1 million.

Communications strategy for Stronger Families and Communities, with funding of \$8 million.

NATIONAL RESEARCH AND EDUCATION STRATEGY TO PREVENT PROBLEM GAMBLING

The Government will provide \$2.2 million in 2001-02, \$5 million in 2002-03, \$0.6 million in 2003-04 and \$0.6 million in 2004-05 to address and prevent problem gambling through:

- a public education campaign that will raise community awareness of the issue of problem gambling in all areas of Australia, including regional and remote areas; and

- a national research and evaluation programme that will undertake research on issues such as risk factors for problem gambling, the effectiveness of existing treatment programmes, and the community impacts of gambling.

CHILD CARE SERVICES

The Government is committed to improving the access of families living in rural and regional Australia to appropriate, affordable and quality child care. Child care services are supported through the Commonwealth's Child Care Support funding, and delivered by a range of providers, including private for profit operators, local governments, charitable and religious organisations, and non-profit community groups.

Flexible and innovative child care services

Since coming to office in 1996, the Government has acknowledged and responded to the unmet demand for child care, and the special requirements of service delivery in rural and regional Australia, by providing flexible services which meet community needs. Ongoing recurrent funding of \$4 million per annum is available to support these services in rural and regional areas.

Flexible services are being established in small rural communities and regional areas with dispersed populations, where the need for formal child care has been identified but where the standard models of care, such as long day care, outside school hours care and family day care, are either inappropriate or unavailable.

Funding is also provided to assist with the child care needs of children with additional needs, including children and parents with disabilities, children from non-English speaking backgrounds, Aboriginal and Torres Strait Islander children, and children from rural and remote areas.

Funding of \$19.8 million per annum is provided for Multifunctional Children's Services, Multifunctional Aboriginal Children's Services and playgroups, mobile services, and enrichment programmes targeted to Aboriginal and Torres Strait Islander families.

Disadvantaged Area Subsidy

The Disadvantaged Area Subsidy (DAS) is a recurrent subsidy to assist with the operating costs of a service. Overall, DAS funding totalling \$10 million per annum is provided to some 650 services in rural and regional Australia. It is provided to community-based long day care centres in rural and urban fringe areas where there is no other service (for example, the sole provider of baby places), to all outside school hours care services located in rural and regional areas, and to some isolated outside school hours care services located in urban fringe areas.

Family Crisis Child Care Pilot Projects

The Family Crisis Child Care Pilot Projects aim to bring children with particular needs into mainstream child care programmes at no cost to the family (where cost would be a barrier). With their children in suitable child care, parents are able to access family support services such as rehabilitation, parenting skills and legal advice, knowing that their children are being well cared for. Three pilot projects are located in rural and regional Australia.

JOBS, EDUCATION AND TRAINING PROGRAMME

During 2000-01, more than \$10 million will be allocated towards providing child care assistance under the Jobs, Education and Training (JET) Programme, which assists certain groups of Centrelink customers break down the barriers which prevent them from undertaking employment, education or training. In more remote regions where formal child care is not available, temporary creches can be established to care for children of JET customers while they participate in work related activities.

THE RECONNECT PROGRAMME

Reconnect, a youth homelessness early intervention programme, began operating in December 1999. By the end of 2000-01, Reconnect services will be operational in about 100 communities nationwide. Approximately 50 per cent of funding (around \$10 million per annum) will be directed to regional, rural and remote communities.

Services are located in communities of high need identified by the State and Territory Governments. The objective of the programme is to reconnect young people with family, education, training, employment and their community.

Health and aged care

REGIONAL HEALTH INITIATIVES

The Federal Government is committed to improving access to health and aged care services for Australians living in regional, rural and remote locations. Since 1996 it has introduced a broad range of initiatives to ensure the best health care is available to everyone no matter where they live, both through its own programmes and through the substantial support it provides to the States and Territories. Successive Budget packages have built on these initiatives, culminating in the 2000-01 Budget's Regional Health Strategy: More Doctors, Better Services – an extensive and integrated package worth more than \$560 million over four years.

This year's 2001-02 Budget reinforces the Government's commitment to improving health outcomes for Australians living in regional, rural and remote locations by focusing on filling the gaps that still exist in sustaining a rural health workforce, particularly in the field of nursing.

Rural nurses

Measures totalling \$117.3 million will enhance rural nursing opportunities. These measures complement the rural health workforce initiatives that are currently being implemented as part of the Regional Health Strategy by providing incentives for doctors to employ nurses within rural practices, and encouraging rural Australians to consider nursing as a career, or to return to nursing through:

- provision of undergraduate nursing scholarships for rural students;
- financial support to enable doctors in rural areas to employ practice nurses;
- funding for professional support for practice nurses;
- scholarships for ex-nurses considering a return to nursing, with particular emphasis on those nurses who may wish to concentrate on primary and community care;
- encouragement for Indigenous Australians to take up nursing as a career, including undergraduate scholarships, and mentoring schemes; and
- training to assist rural nurses in communicating effectively with Indigenous Australians.

Additional practice nurses for rural and regional Australia and other areas of need

This Budget will provide \$104.3 million over four years for general practices to employ practice nurses. These arrangements will allow general practitioners in these practices to focus more efficiently on diagnosis and clinical care, while allowing practice nurses to assist in managing chronic diseases such as diabetes and asthma, conducting health assessments, and providing clinical support.

The initiative will be targeted to those areas where patient access to medical services is limited due to an undersupply of general practitioners, such as in rural and remote Australia, and in provincial and outer metropolitan areas. Funds will be provided through the Practice Incentives Programme.

Under this measure, \$5.2 million over four years is for re-entry training programmes for rural nurses. This will be provided via a scholarship programme of approximately 400 scholarships per annum, and provision of funding to support the professional development of nurses.

Rural nursing scholarships

The Government has provided \$13 million over four years to improve the access to undergraduate nursing education for rural and regional students.

Under this initiative, \$10.9 million over four years will provide greater access to undergraduate nursing degrees for students who are from rural and regional Australia. One hundred rural nursing scholarships of \$10,000 per annum will be available for rural students. A further ten scholarships will be available for Indigenous Australian nursing students or Aboriginal health workers who want to upgrade their qualifications.

In addition, \$2.1 million over four years will be provided for support measures associated with the scholarship, with a particular emphasis placed on Indigenous nursing students. Funding will be provided to facilitate greater access to mentor/preceptor programmes and financial assistance will be made available to scholarship holders in exceptional circumstances where students suffer financial hardship. Funding will also be provided for culturally appropriate training for rural nurses to assist them in providing care to Indigenous clients.

After hours primary medical care services

The Government will invest \$43.4 million on improvements to after-hours primary medical care services. Part of this investment will help to reduce the after-hours workload on rural doctors while ensuring that consumers have good access to the advice and services that they need. By relieving some of the pressures on rural doctors, this will in turn assist in recruitment and retention in regional areas.

ALCOHOL EDUCATION AND REHABILITATION FOUNDATION

Alcohol abuse is a major cause of death and hospitalisation in Australia and makes a significant contribution to the total burden of disease. Alcohol misuse can not only shorten people's lives through the disease, it is also a significant factor in road trauma, falls, drowning, suicide, other injuries and mental illness. The financial burden of misuse of alcohol to the community has been estimated at \$4.5 billion a year, including lower productivity due to lost work days, road accident costs, legal and court costs, as well as health care costs. [Collins DJ and Lapsley HM (1996) *The social costs of drug abuse in Australia in 1988 and 1992* AGPS.]

To help alleviate this burden, the Government is funding the establishment of an independent Alcohol Education and Rehabilitation Foundation in order to prevent alcohol and other licit substance abuse. The aim of the Foundation is to prevent abuse of alcohol and other licit substances, particularly among vulnerable population groups. This measure will provide \$115.6 million to the Foundation.

The Foundation will:

- support evidence-based treatment for alcohol and other legal substance abuse, including rehabilitation, research and prevention programmes;
- promote community education highlighting the dangers of licit substance abuse; and
- provide funding grants to organisations to deliver these services on behalf of the Foundation.

The focus of this initiative is on the provision of effective treatment and rehabilitation services and also of health promotion programmes which have been shown to make a significant contribution to the reduction of alcohol misuse.

MORE OPTIONS, BETTER OUTCOMES IN MENTAL HEALTH

Mental illness is one of the most serious health issues facing Australia, with 2.4 million Australians – 18 per cent of the population – experiencing a mental health problem each year.

Most people use their general practitioner (GP) as the entry point for help with mental health issues. In recognition of this, the Government will provide \$120.4 million over four years to assist GPs to develop their skills in mental health diagnosis, care planning and treatment. The Government will also support doctors in forming effective links with other mental health professionals, including psychologists and psychiatrists.

The package will also see GPs better remunerated for providing best practice care for mental health clients. This will include financial incentives for GPs to provide formal diagnosis, care planning and review activities. A new Medicare Benefits Schedule item will be introduced to enable appropriately trained GPs to provide a limited range of non-medication based therapies. To complement these measures, GPs will have access to support from both allied mental health professionals and consultant psychiatrists.

RESTRUCTURING RURAL AND URBAN FRINGE AGED CARE

The Government will spend \$5 million to promote ongoing care for aged care residents in rural and urban fringe areas. Grants will be provided to smaller aged care homes facing particular challenges in improving their business processes and infrastructure so that they continue to meet accreditation requirements. Funding will continue the restructuring programme, and includes:

- assistance to improve care standards and management practices;
- minor capital grants, including those for safety work; and
- stimulation for the sharing of management resources.

COMMUNITY VISITORS SCHEME

The Government is extending the Community Visitors Scheme, which organises volunteers to provide companionship and social support to people in residential aged care.

Funding of \$5.3 million over four years will allow for an additional 1,000 visitors, 400 of whom will be in rural areas.

UPDATE ON ONGOING RURAL HEALTH INITIATIVES

The Regional Health Strategy comprises a range of initiatives designed to provide more doctors and better health services for rural Australia.

The Strategy aims to increase the number of general practitioners and specialists working in rural and regional Australia in the short term, and provide for this increase to continue into the future. Incentives were also provided for medical graduates to undertake their vocational training in rural and regional Australia, immediately increasing the supply of qualified medical practitioners working in these areas.

Better services are available in rural and regional areas through a new focus on allied health professionals, chronic disease, and increased health and aged care infrastructure, with more regional health services and support to ensure the ongoing viability of bush nursing, small community and other small regional non-government hospitals.

University departments of rural health and clinical schools

The Regional Health Strategy provided for the establishment of three additional university departments of rural health and nine new rural clinical schools.

This initiative enhances support mechanisms for a range of health professionals, nurses and allied health workers, offers more training and career development opportunities and facilitates greater collaboration and integration of service delivery.

In February 2001, the locations for the new clinical schools and university departments of rural health were announced. Clinical schools will be located in Coffs Harbour, Dubbo, Rockhampton, Toowoomba, Kalgoorlie, Bairnsdale, Shepparton, Burnie, Whyalla and the Riverland district of South Australia with an expansion of the Northern Territory Clinical School. Two university departments of rural health will be located in Tamworth and Lismore, which will join the newest university department of rural health established in Warrnambool, Victoria.

Enhanced Rural Australia Medical Undergraduate Scholarship (RAMUS) Scheme

The Rural Australia Medical Undergraduate Scholarship (RAMUS) Scheme provides financial assistance to enable medical students from a rural background to enter and complete their study of medicine. Since it was announced in the 1999-2000 Budget, additional funding has been provided, bringing the total funding for the scheme to \$12 million over five years.

Medical rural bonded scholarships

A total of \$32.4 million was allocated in the 2000-01 Budget to fund the Commonwealth Medical Rural Bonded Scholarship Scheme over the next four years. Under the scheme, 100 new medical school places are offered every year, with students receiving \$20,000 annually while studying, in return for a commitment to work in rural areas for at least six years once they complete their fellowship as a general practitioner or specialist. One hundred new medical students have already signed up for the scholarships, with the Commonwealth to spend \$6.2 million on the scheme in the 2001-02 financial year.

Higher Education Contribution Scheme reimbursement

The Higher Education Contribution Scheme (HECS) reimbursement scheme provides financial incentives to graduating medical students to attract them to careers in rural medicine by offering them the opportunity to 'work off' their HECS debt in designated rural areas. The first payments under the scheme will commence on schedule in July 2001. During 2001-02, approximately 200 doctors will be assisted under this scheme.

Increasing the number of new general practitioners

To increase the number of general practice registrars in Australia, \$102.1 million over four years was provided in the 2000-01 Budget.

The initiative restructured vocational training for general practitioners by introducing the dedicated 200-place Rural Training Pathway from 1 January 2001. Fifty new vocational training places per annum are to be made available for the next three years. These places, and 150 of the annual 400 quota for the Vocational Training Programme, will be reserved for registrars keen to undertake rural training, bringing the total number of registrar places to 450 per annum.

The General Practice Registrars Rural Incentive Payments Scheme was established as an integral component of the Rural Training Pathway. Under this scheme, significant financial incentives have been established to encourage registrars to take up the Rural Training Pathway.

Workforce Support for Rural General Practitioners Programme

The Workforce Support for Rural General Practitioners Programme allocated \$10.2 million over four years from 2000-01 to provide additional support to the general practice workforce in rural areas.

Funding under the programme is being distributed to rural divisions of general practice. Each division will receive between approximately \$20,000 and \$50,000 in 2000-01, and \$26,000 to \$62,000 per annum in future years.

Regional Health Services and Multipurpose Services

The Multipurpose Services Programme is continuing to expand. Too often, small communities cannot support separate aged care and health facilities. This programme promotes integration of services and the Commonwealth funding enables residential and community aged care services to be provided in these rural areas.

Medical Specialist Outreach Assistance Programme

This initiative enables additional specialist services to be delivered in regional communities, thereby reducing the need for rural Australians to travel for medical treatment. Around \$14 million per annum is available for the programme in 2001-02 and subsequent years.

Advisory groups have been established in each State and the Northern Territory to assist in identifying areas of need and developing appropriate models of service delivery. These groups are currently considering priorities and new outreach services will become operational early in 2001-02.

More Allied Health Services Initiative

The More Allied Health Services Initiative is providing \$49.5 million over four years from 2000-01 to assist with the employment of allied health professionals in line with locally identified needs.

Funding is being managed by rural divisions of general practice, which are currently recruiting a range of allied health professionals, including mental health workers, registered nurses, podiatrists, physiotherapists and dieticians, and are commencing service provision. Estimates indicate that there will eventually be more than 130 full-time equivalent health positions funded nationally.

Getting more pharmacy services into regional Australia

Pharmacies play a key role in improving health outcomes for Australians. Last year, the Enhanced Rural and Remote Pharmacy Package introduced a range of measures for rural pharmacy, including:

- the Rural Pharmacy Maintenance Allowance provides ongoing support to pharmacies in rural and remote communities;
- the Start-up Allowance to encourage pharmacists to establish new pharmacies in remote areas;
- an allowance to support rural community pharmacists to improve the quality use of medicines in Aboriginal communities; and
- the Remote Pharmacy Workforce Development Programme, worth approximately \$12 million, to provide assistance in the form of scholarships, allowances for travel associated with continuing professional education, emergency locum services and other similar projects.

Services for rural, older Australians

To meet demand and suitable care standards for the frail aged, the Government has substantially increased funding for aged care. The outlay in the 2001-02 financial year is budgeted to be \$5.4 billion – an increase of around \$400 million on 2000-01. A substantial proportion of this funding is delivered in rural and regional areas.

Over a third of aged care places are located in rural and regional Australia, in conjunction with the proportion of older people living there. In the 2000 Aged Care Approvals round, which were announced in January 2001, more than 6,200 additional places were directed to regional, rural and remote areas, representing 44 per cent of the new places in the round.

Combating chronic disease in regional Australia

The Rural Chronic Disease Initiative aims to assist people in rural Australia, particularly small rural communities, to prevent and manage chronic disease and injury better.

During 2001, a small number of pilot sites across Australia will be established to develop local processes and models for implementing chronic disease and injury prevention and management programmes in rural communities.

Up to 100 rural communities will receive one-off funding over the next three years to develop and implement chronic disease and injury prevention and management programmes in their local area. Also included is the establishment of a special projects funding pool to provide grants to individuals and organisations for new and innovative chronic disease/injury prevention and management ideas.

First-class regional hospitals

Funding of \$30.3 million over four years was committed in the 2000-01 Budget to be spent on revitalising bush nursing, community and other small, regional private hospitals.

Through this initiative the Commonwealth provides funding for the engagement of service planners to assess both the health service and business administration aspects of the hospital and put forward strategies for improving viability. In many cases further funding will be available to support the implementation of identified strategies.

There are approximately 59 targeted hospitals throughout regional Australia. These are all at various stages of the initiative. The second phase, the implementation of recommendations arising from the service planning phase, is set to begin from June 2001.

Improving the health of Aboriginal and Torres Strait Islander rural communities

Improved primary health care for Aboriginal and Torres Strait Islander communities

Many regional and rural Aboriginal and Torres Strait Islander communities do not have access to primary health care services.

In 1999-2000 the Government provided \$78.8 million to improve Indigenous Australians' access to primary care through the Primary Health Care Access Programme, a significant amount of which was directed into regional and rural areas. This Budget provides around \$20 million per annum in further funding from 2003-04.

Fringe Benefits Tax supplementation for Aboriginal and Torres Strait Islander organisations

The Government has agreed to provide an extra \$43.8 million over four years to assist not-for-profit Indigenous organisations to adjust to the introduction of new fringe benefits tax (FBT) arrangements. Aboriginal and Torres Strait Islander organisations providing essential health, housing, employment, education and legal services have made considerable use of fringe benefit concessions in the past to attract and retain professional staff and extend service delivery. Around two thirds of primary health care services are provided in rural and remote areas, where salary packaging has become an essential component of remuneration.

Rural Undergraduate Support and Coordination Programme

The Rural Undergraduate Support and Coordination (RUSC) Programme was developed as part of the Rural Incentives Programme as a strategic long-term initiative

to increase the number of medical graduates adopting a career in rural and remote practice.

In 2001-02, \$4.3 million has been allocated to the RUSC Programme. The funding is distributed to individual medical schools, coordination agencies involved with liaison between medical schools, rural practitioners and communities. It is also used to support a series of special projects of national significance.

Rural and Remote General Practice Programme

The Rural and Remote General Practice Programme was introduced in 1998 to deliver a range of incentives and supports to increase the number of medical graduates adopting a career in rural and remote practice. State and Northern Territory-based rural workforce agencies are administering this programme, for which \$68 million was allocated over four years.

Rural and Remote Area Placement Programme

As part of the General Practice Memorandum of Understanding, the Government is currently funding the Australian College of Rural and Remote Medicine to administer the Rural and Remote Area Placement Programme. This programme is a pilot that aims to increase the exposure of recent medical graduates undertaking hospital internships to rural general practice.

In addition to the operating consortia in various regional locations, applications for placements are currently being considered for new sites in 2002.

Rural Other Medical Practitioners Programme

The Rural Other Medical Practitioners Programme provides around \$32 million over four years (commencing in 2000-01) to ensure that people in rural and remote areas have enhanced access to primary health care services.

Under this programme, all consumers who receive services from Other Medical Practitioners (OMPs) in rural and remote areas of Australia have been able to access a higher Medicare rebate from 1 January 2001.

Royal Flying Doctor Service

The Federal Government has funded the Royal Flying Doctor Service (RFDS) for more than 40 years. In 2001-02, about \$18 million will be provided to ensure that the people of rural and remote Australia have access to the best aeromedical emergency retrieval system in the world, as well as to a broad range of clinical services.

Rural Women's GP Service

In the 1999-2000 Budget, the Rural Women's GP Service was allocated \$8.2 million over four years. The service provides regular female general practitioner visits to over 50 communities nationwide, with more targeted communities coming on line every month.

Improving water supplies in rural and remote areas

Water supplies that do not meet modern water quality standards have been identified in many rural and remote communities, particularly Indigenous communities. The Rural and Remote Potable Water Project addresses this problem by identifying and ranking the important health impact associated with these sub-standard supplies and developing specific approaches for improving the supplies. The Project is worth \$500,000 over three years.

The first part of the project, a national audit of the current status (quality, availability and access) of rural and remote community potable water supplies, began in late 2000. Work on the next step, the health risk assessments, is expected to begin in the latter half of 2001.

VETERANS' AFFAIRS

Thirty-one per cent of entitled veterans and war widows live in rural, remote and regional Australia. Improving their health status continues to be of prime importance to the Department of Veterans' Affairs.

Maintain rural and remote service delivery arrangements

The Government will continue the current programme of agency arrangements in rural and remote areas. Agency arrangements use other Commonwealth, State and local organisations to deliver information and assistance to the veteran community in regional areas. These arrangements allow veterans to access information and services in areas where the Department of Veterans' Affairs is unable to directly provide the service.

Extension of Repatriation Pharmaceutical Benefits Scheme

The Government will extend full access to the Repatriation Pharmaceutical Benefits Scheme (RPBS) to all British, Commonwealth and Allied Veterans aged 70 years and over with World War II qualifying service (consistent with requirements for the service pension). This initiative will give these veterans access to pharmaceutical items at the concessional rate including the additional items which are on the RPBS and not on the Pharmaceutical Benefits Scheme.

SPORT: BACKING AUSTRALIA'S SPORTING ABILITY – A MORE ACTIVE AUSTRALIA

The Government launched a new plan for sport in April 2001. Backing Australia's Sporting Ability – A More Active Australia, outlines a two-fold policy objective – to assist our best athletes to reach new peaks of excellence and to increase the pool of talent from which our future world champions will emerge.

A More Active Australia

A fresh approach to grassroots participation in sport will be supported by the Government to see greater numbers of Australians participating in sport, particularly young people. This approach will involve partnerships between the Federal Government, national sporting organisations, local sporting clubs, schools and the business community.

These measures include an additional allocation of \$32 million for the More Active Australia initiative, including \$4 million for the new Olympic Youth Programme. The additional funding means that total federal government funding for A More Active Australia will be worth approximately \$82 million over the four year period beginning 2001-02.

Sports Excellence Programme

The new Sports Excellence Programme will provide funding for high-performance sport and cover sports that were not included in the Olympic Athlete Programme. The programme includes an additional allocation of \$122.2 million over four years for Australian athletes. Total federal government funding for Sports Excellence to support Australian athletes will be approximately \$402 million over the four-year period beginning 2001-02. This includes approximately \$15 million specifically for Paralympic Games sport and sport for people with disabilities.

Tough on Drugs in Sport

Backing Australia's Sporting Ability includes an additional allocation of \$7.4 million for new anti-drugs research, additional testing and to meet international obligations.

Total funding for the Tough on Drugs in Sport Strategy will be nearly \$24 million over the four years beginning 2001-02.

Education and training

YOUTH PATHWAYS ACTION PLAN TASKFORCE REPORT: *FOOTPRINTS TO THE FUTURE*

The Government has agreed to a number of measures as an initial response to the Prime Minister's Youth Pathways Action Plan Taskforce Report: *Footprints to the Future*. These include:

- an additional \$9.7 million to the Enterprise and Career Education Foundation to extend its Work Placement Coordinator arrangements into remote areas of central and northern Australia, ensuring national coverage. The Work Placement Coordinator activities involve partnerships between industry and education at the local level. They foster greater involvement by local enterprises and industry bodies in vocational education and training in schools programmes and also maintain important linkages between schools and the community.
- an additional \$46.7 million over four years to the Jobs Pathways Programme and an additional \$16.8 million over four years will be provided to the Job Placement, Education and Training Programme. The additional funding will ensure that these programmes can continue to meet the current level of demand for services to young people. The additional funding will have a positive impact on many regional centres.
- piloting initiatives that test new approaches to providing enhanced career and transition information and support to young people aged 13-19 years and their families. Some of the pilot locations will be regional schools. The cost of the pilots will be \$3.6 million over 2001-02 and 2002-03.
- piloting cross-portfolio and cross-government collaborative approaches to the delivery of government services to young people, and encouraging greater community involvement in the development of local strategies to deliver more effective services and outcomes for young people, including those in rural and regional areas. Approximately 18 pilot projects will test new ways to support young people, including early intervention and prevention. The cost of the pilots will be \$3.7 million over the period 2001-02 to 2002-03; and
- the Mentor Marketplace, \$4.8 million to be made available over three years to increase access to mentoring for young people. The Mentor Marketplace will assist young people to stay connected to the key institutions of family, education, training and the workplace.

HIGHER EDUCATION PLACES FOR REGIONAL UNIVERSITIES AND CAMPUSES

The Government will provide an additional 670 Commonwealth-funded commencing student places a year for regional higher education institutions and campuses from 2002 at a cost of \$34.8 million over four years.

As a result of this measure, the number of new fully-funded regional places will total 5,226 over four years and are on top of the 110,000 places already fully funded by the Commonwealth at regional universities around Australia.

NEW ON-LINE INITIATIVES MEAN MORE EDUCATIONAL SUPPORT FOR RURAL AND REGIONAL AUSTRALIA

Also announced as part of *Backing Australia's Ability* and funded through tonight's Budget is \$34.1 million over five years to support on-line curriculum development, which will assist schools in rural and regional Australia to gain access to world-class curriculum materials.

RURAL AND REGIONAL AUSTRALIA BENEFITS FROM VOCATIONAL AND EDUCATION TRAINING PROGRAMMES

The Federal Government will spend a record \$7.6 billion over the next four years on vocational education and training programmes, including programmes for New Apprenticeships, industry training, and training for unemployed young people.

Training opportunities in rural and regional areas will be boosted by an extra \$230 million that will be made available to the States and Territories to support training places in 2001 to 2003 through the Government's proposal for a new Australian National Training Authority (ANTA) Agreement. This will bring total Commonwealth funding to States and Territories to more than \$4.4 billion over the next four years.

The new funding would give the States and Territories access to growth funding of up to \$50 million, \$76 million and \$104 million in the years 2001 to 2003 respectively.*

** Includes estimated indexation on \$75 million in 2002 and \$100 million in 2003.*

ASSISTANCE FOR ISOLATED CHILDREN SCHEME

The Government provides funding in the order of \$40 million per year for the Assistance for Isolated Children (AIC) Scheme. The scheme provides funding to help rural families meet the costs associated with boarding arrangements, setting up a

second family home or studying via distance education. The scheme has benefited from previous Budget measures to increase allowances.

COUNTRY AREAS PROGRAMME

The Government is providing \$22.3 million for Country Areas Programme in 2001-02. The programme is continuing to improve the educational opportunities, participation, learning outcomes and personal development of rural and isolated primary and secondary students.

INDIGENOUS EDUCATION PROGRAMMES

The National Aboriginal and Torres Strait Islander Education Policy (AEP) aims to bring about equity in education for Indigenous Australians. The Commonwealth, along with all State and Territory Governments, endorses and promotes 21 common and agreed national goals. The policy has a significant impact on regional, rural and remote Australia, where many clients are located.

Assistance of approximately \$216.5 million nationally for 2001-02 will be provided under the Aboriginal Student Support and Parent Awareness Programme, the Aboriginal Tutorial Assistance Scheme, the Vocational and Educational Guidance for Aboriginals Scheme and the Indigenous Education Strategic Initiatives Programme. In addition, \$139 million will be provided under ABSTUDY for eligible Indigenous students undertaking secondary or tertiary education, many of whom live or study in regional, rural or remote areas.

Australia's Territories

INDIAN OCEAN TERRITORIES

The isolated communities of Christmas Island and Cocos (Keeling) Islands are wholly dependent on the Federal Government for funding of government services, including services normally provided by State and local governments, such as education, health and housing.

In response to the recommendations of the *Commonwealth Grants Commission Report on Indian Ocean Territories 1999*, the Government has committed a total of \$44.9 million for 2001-02 to ensure that service delivery standards are, so far as practicable, the same as those of comparable communities on the mainland.

The Government has also committed \$21.9 million in 2001-02 to upgrade infrastructure required for the delivery of mainland-equivalent services, to help foster the social and

economic capacity of these communities as well as facilitating and maintaining their links with the rest of Australia and the wider world economy.

JERVIS BAY TERRITORY

The Federal Government provides most of the State and local government-type services to Jervis Bay at a standard comparable with that of the adjoining Shoalhaven region of New South Wales. An annual expenditure of \$3.5 million ensures service delivery through arrangements made with the Australian Capital Territory, Shoalhaven City Council and the Wreck Bay Aboriginal Community Council.

NORFOLK ISLAND

The Norfolk Island community is limited in its access to regional funding initiatives as a result of the non-extension of some Commonwealth legislation to this self-governing Commonwealth Territory. The Federal Government provides annual funding of around \$450,000 to Norfolk Island for the conservation and maintenance of the Kingston and Arthur's Vale Historic Area. Funding of \$36,000 is also provided for legal aid assistance.

Communications and information technology

Note: The Telstra Social Bonus refers to the social bonus component from the sale of the second tranche (16.6 per cent) of Telstra, which is being allocated to expand many programmes delivering services to regional Australians in the areas of communications, information technology and the environment.

The Budget maintains initiatives designed to ensure that Australia's communications and information technology sectors continue to take up the opportunities offered by new technologies, to create new employment, educational, social and entertainment opportunities for all Australians – regardless of where they live. Initiatives include an extensive programme of support for regional commercial television stations to assist them in meeting the costs of rolling out digital television in non-metropolitan areas. Up to \$260 million will be spent over 13 years under the Regional Equalisation Plan, including \$22.6 million in 2001-02.

GOVERNMENT'S RESPONSE TO THE TELECOMMUNICATIONS SERVICE INQUIRY

As a result of the Government's response to the Telecommunications Service Inquiry (the Besley Report), communities in regional, rural and remote Australia will see further improvements to their communications services. The Government has

announced a package of measures totalling \$163.1 million to improve mobile phone coverage, the standard telephone service and internet access.

Specific benefits to regional and rural communities will include:

- further strengthening of the Customer Service Guarantee to reduce new service connection times and strengthening of the Universal Service Obligation in relation to the provision of temporary services;
- \$37.7 million for mobile phone coverage in population centres of more than 500, subject to confirmation of community needs and ongoing viability;
- \$50.5 million for improved mobile phone coverage in other areas;
- \$50 million for better quality and faster access to dial up internet services;
- \$52.2 million for a National Communications Fund;
- improved payphone and other services for Indigenous communities in remote areas, and
- \$3.4 million to fund increased consumer representation.

NEW CONNECTIONS TOOLKIT

New Connections: A Toolkit for New Telecommunications Network Models in Regional Australia was released by the Government in April 2001. It aims to help communities seeking to become involved in improving their communications infrastructure and services. It outlines the steps, considerations and options to assess needs and determine solutions that best suit the requirements of the telecommunications network models that have developed, both in Australia and overseas, as a result of communities taking the initiative and identifying innovative solutions to meet their specific communications challenges.

The Toolkit was developed by the Online Ministers' Council through its Regional Communications Working Group, with the collaborative efforts of the Commonwealth Government, the States and Territories, and local governments.

ABC/SBS FUNDING

In the 2001-02 Budget, the Government has agreed to increase ABC funding. The ABC will receive an additional \$71.2 million over four years as a result of this year's Federal Budget.

This additional \$71.2 million will enable the ABC to increase local and regional programming across all ABC media. This is expected to generate jobs and stimulate growth of new media.

In addition to its triennial funding from the 2000-01 Budget and the additional \$17.8 million per annum provided in this year's Budget, the ABC will also receive \$46.5 million for digital distribution, transmission and equipment in 2001-02.

The Government has also provided \$2.8 million to strengthen Radio Australia services, building on previous funding of \$1.9 million in 2000-01 and a loan of \$20 million for activities including the ABC's Sydney accommodation and digital equipment requirements. In total, the ABC will receive \$745.2 million in Federal funding in 2001-02.

SBS funding will be maintained in real terms, and its digital capital, distribution and transmission costs will be paid in full. In addition, SBS also received \$8.2 million from 2000-01 to 2002-03 for programme acquisition.

The Government has agreed to fund fully the costs of digital distribution and transmission for both the ABC and SBS. Digital distribution is the process of sending the digital broadcast signal from the studio to transmitters, while the transmission is the process whereby the signal is sent from the transmitters located around the country to television receivers in individual homes.

The cost of ensuring that most Australians in regional and remote areas have access to the services that metropolitan viewers take for granted is very significant. Many transmission towers are in remote areas that are expensive to service. Transmission and distribution facilities have required a significant funding commitment that will amount to several hundred million dollars over the next decade.

This funding will enable the ABC and SBS to digitalise its television production and studio equipment, and will ensure it is at the forefront of developments in digital broadcasting.

REGIONAL EQUALISATION PLAN: DIGITAL TELEVISION SERVICES

The Government introduced a Regional Equalisation Plan in 2000-01 to assist the rollout of digital television and datacasting services to Australians living in regional and remote Australia. Over 13 years, up to \$260 million in financial assistance will be provided to assist commercial television broadcasters with its introduction. In 2001-02, \$22.6 million will be provided.

Commonwealth assistance under the plan represents 50 per cent of the estimated capital and operating costs to regional commercial broadcasters in converting to digital. This assistance will be made available predominantly in the form of rebates on annual licence fees paid by the broadcasters. In order to ensure the timely delivery of digital broadcasting and datacasting services in different parts of regional and rural

Australia, these licence fee rebates will be supplemented by a small grants programme for broadcasters in some single-service licence areas.

REGIONAL COMMUNICATIONS PARTNERSHIP

In December 2000, the Government and ntl Australia Pty Ltd (ntl) signed the Regional Communications Partnership Agreement. This established a \$10 million Scheme to assist community-based self-help retransmission groups gain access to National Transmission Network (NTN) sites in regional and remote areas of Australia by subsidising the commercial fees payable. These self-help groups retransmit commercial and national television and radio services to communities that would not otherwise have had access to such services. The Government and ntl each contributed \$5 million to the Scheme with the Government's contribution sourced from the Television Fund. To May 2001, 21 groups providing 34 services (five radio and 29 television) have taken advantage of the partnership subsidy.

TELEVISION FUND

The Government established the \$120 million Television Fund from the proceeds of the Telstra Social Bonus, primarily to extend SBS television to transmission areas of more than 10,000 people and to fix television reception 'black spots'.

SBS television rollout

Of the 78 services announced as part of the rollout of SBS television to 1.2 million Australians in 36 regional areas, 68 were scheduled to be completed by early May 2001. The remaining 10 services were due to be completed, or self-help services taken over in two cases, by the end of June 2001.

Subsequent to the original announcement, SBS negotiated the inclusion of an additional nine sites at no further cost to the Government. These extensions are due to be completed by the end of October 2001. SBS is responsible for managing this extension process

Television Black Spots Programme

The aim of the \$35 million Television Black Spots Programme is to help communities to fix between 200 and 250 analog television 'black spot' areas. Funding is available to help communities establish new self-help retransmission facilities and to replace obsolete equipment at existing self-help retransmission sites.

Second Remote Commercial Television Service Subsidy

The Second Remote Commercial Television Service Subsidy provides a two-thirds subsidy for the purchase of a transmitter and decoder necessary to access a second commercial television signal by 'self-help' groups in remote broadcast licence areas. An information kit was sent to 412 identified remote self-help groups.

As of April 2001, 68 organisations have received funding, representing 103 sites.

ABC LOCAL RADIO SELF-HELP REBROADCASTING SUBSIDY SCHEME FOR CYCLONE-INCIDENT AREAS IN NORTHERN AUSTRALIA

In June 2000, the ABC was provided with a one-off capital injection of \$3.2 million to:

- uplink the Cairns-based Local Radio service on the satellite, which occurred in November 2000; and
- establish a self-help scheme, launched in December 2000, that will assist communities in northern Australia susceptible to cyclone activity to gain access to a locally relevant ABC Local Radio service. Eligible communities include those without access to terrestrial radio located north of the Tropic of Capricorn and within 250 kilometres from the coast.

Up to \$50,000 is available per service for site establishment and the purchase of equipment. Up to \$25,000 is available per service for the replacement of obsolete equipment on sites that existed prior to 1 January 2001.

ABC CAPITAL WORKS PROGRAMME

The ABC receives an annual appropriation from the Government for planning and minor analog service extensions. The ABC has used some of these funds to establish a capital works programme and budget. The first project funded under this programme was the uplinking of Kalgoorlie's Local Radio service on the satellite in November 2000. This is providing access to greater local news and weather information for surrounding communities. The ABC anticipates announcing a number of new radio and television service extensions during 2001 following confirmation of spectrum availability and finalisation of transmission service provider contracts.

SBS SELF-HELP RETRANSMISSION SUBSIDY SCHEME

SBS has established its Self-Help Retransmission Subsidy Scheme from an annual appropriation of \$500,000 which it receives from the Government to assist the establishment of self-help SBS services. SBS provides communities with 50 per cent of the actual costs (up to a limit of \$25,000) associated with purchasing the equipment

required to locally retransmit its television or radio services. SBS has advised that 39 communities have received or were approved to receive subsidies for radio or television services in the first three rounds of the Scheme.

UNIVERSAL SERVICE OBLIGATION

The Universal Service Obligation (USO) underpins the delivery of over 400,000 residential and business telephone services, as well as payphones, in regional and remote Australia. The USO subsidy is funded by a levy on telecommunications carriers in proportion to their total revenue, which is calculated at the end of the financial year. The levy for 2000-01, to be collected and paid out in 2001-02 will be around \$69 million.

From 1 July 2001, USO subsidies will be contestable in two pilot areas on the New South Wales - Queensland and Victoria - South Australia borders, with a view to improving service levels.

DIGITAL DATA SERVICE OBLIGATION

The Universal Service Obligation is complemented by the Digital Data Service Obligation (DDSO), which guarantees access on request to a 64 kbps data service. A rebate of up to 50 per cent of the cost of special reception equipment and installation, capped at \$765, is available in some circumstances. The DDSO rebate is also funded in arrears by an industry levy.

INFORMATION TECHNOLOGY ONLINE PROGRAMME

Small and medium-sized businesses are being encouraged to gain commercial business benefits across industry. The Information Technology Online (ITOL) Programme is a competitive grant programme providing catalytic support to innovative business-to-business e-commerce projects. Projects are industry based and collaborative in nature, with participation from universities, industry associations and commercial organisations.

Grants are available for up to 50 per cent of eligible project costs, capped at \$150,000. They have been awarded for projects in areas as diverse as building and construction, agriculture, rural portals, social welfare and the health sector. The ITOL Programme has been extended to 2005-06, with \$13 million allocated to the Programme as part of *Backing Australia's Ability - An Innovation Action Plan for the Future* (see page 51). The sixth round of grants is expected to open in June 2001 with approximately \$1.5 million available for funding new projects.

SOCIAL BONUS INITIATIVES IN TELECOMMUNICATIONS

A range of Social Bonus initiatives, funded in 1999-2000, are continuing to provide benefits to Australians in regional, rural and remote areas.

The Networking the Nation Board is responsible for allocating funding under several of these initiatives, as outlined below.

Networking the Nation — Building Additional Rural Networks

Seventy million dollars is being provided over five years from 1999-2000 to support the development of new regional networks and new networks services and products, with an emphasis on the adoption of innovative solutions and leading-edge technologies. Building Additional Rural Networks (BARN) will benefit regional and rural communities by supporting improvements in the cost and quality of telecommunications services in those areas. Funds are available for eligible not-for-profit organisations through the Networking the Nation grants programme.

Networking the Nation — the Local Government Fund

Forty-five million dollars over five years, from 1999-2000, is being provided for the Local Government Fund. The fund will assist local government authorities in regional, rural and remote Australia to provide online access to information and services, including the internet. Funds are available for local government authorities through the Networking the Nation grants programme.

Networking the Nation — the Internet Access Fund

Thirty-six million dollars over three years has been allocated for this programme from 1999-2000. The aim is to provide internet access (at least equivalent to untimed local call access) for regional and rural Australia.

Networking the Nation — the Remote and Isolated Island Communities Fund

The Remote and Isolated Island Communities Fund is receiving \$20 million over three years from 1999-2000. The Fund will assist in meeting the telecommunications needs of people in remote and isolated island communities, such as the Torres Strait; the Cocos (Keeling) Group; Christmas, Norfolk, King, Flinders, Kangaroo and other islands; and the Australian Antarctic Territories.

Funding to expand mobile phone coverage in regional Western Australia, South Australia and Tasmania

Three million dollars is being provided to improve mobile phone coverage in regional and rural Western Australia, South Australia and Tasmania. This builds on the funding of \$25 million for mobile phones on designated highways, with funds being allocated in consultation with the State Governments.

Untimed local calls in extended zones

This \$150 million initiative will fund the telecommunications infrastructure upgrade needed to enable all customers within the 'extended zones' in remote Australia to have access to untimed local calls within their extended zone. There are about 40,000 services in operation in the extended zones.

Mobile phones on highways

The aim of this \$25 million programme is to provide continuous phone service along the 9,425 kilometres of nominated Australian highways. This will facilitate the use of mobile phones along these highways for social, economic and safety reasons. The contract has been awarded to Vodaphone.

Intelligent Island Programme (Tasmania)

The Intelligent Island Programme was announced in June 1999, with funding of \$40 million over five years from the Telstra Social Bonus. The Programme will further develop an internationally competitive information technology and telecommunications sector in Tasmania. It builds on existing Tasmanian Government initiatives and the research capacity of Tasmania's tertiary education infrastructure. Seven key initiatives are to be funded under the programme.

Launceston Broadband Project

This is a \$30 million joint initiative between Telstra (providing \$15 million) and the Federal Government (providing \$15 million) to develop information technology and telecommunications skills in Tasmania. The Project has three elements:

- establishment in August 2000 of a Telstra Multimedia Development Laboratory (titled Broadband e-Lab or B-eLab) for the commercialisation of internet related products;
- advanced internet access (through ADSL technology) for a set of at least 2,500 (and up to 5,000) residential and business customers in Launceston; and

- a \$5 million Business Development Fund (BDF) designed to stimulate new high-tech business opportunities in the Launceston region. This component is being fully funded by the Commonwealth.

Trials in Innovative Government Electronic Regional Services

Trials in Innovative Government Electronic Regional Services (TIGERS) was launched in April 2000. Ten million dollars will be provided over three years to trial a range of innovative means of delivering government services over the internet, through call centres and over-the-counter facilities. The TIGERS programme is being undertaken in Tasmania.

Arts

MAINTENANCE OF THE FUNDING BASE OF THE CULTURAL DEVELOPMENT PROGRAMME

From 1 July 2001, \$19.4 million over four years will be provided to maintain the funding base of the Cultural Development Programme. This measure renews the Government's commitment to support a range of arts and cultural development schemes and organisations, including the Regional Access Programmes.

For six to nine years, the Regional Access Programmes (Playing Australia, Visions of Australia and Festivals Australia) have contributed significantly to the Government's policy objective of increasing access to cultural activities in the regional areas of Australia. The programmes' regional reach has increased over time with over 85 per cent of funding in recent grant rounds supporting activities in regional or remote centres around Australia. The programmes assist performing arts and exhibitions of cultural material to tour regional areas throughout Australia, and support cultural activity at regional and community festivals. Funding for the programmes will be maintained in real terms.

RENEWED SUPPORT TO THE REGIONAL ARTS FUND

The Government will continue funding the Regional Arts Fund by providing \$7.6 million over three years from 1 July 2001. Over the past four years, this very successful programme, administered by the Australia Council, has generated positive outcomes for regional communities and artists. More than 1,000 projects have been funded through the Regional Arts Fund.

The objective of the fund is to make a significant and sustainable contribution to regional arts development. Priorities include focussing on smaller regional communities; facilitating partnerships with local governments and community groups;

and providing access to information about professional arts development skills and opportunities for people in isolated areas.

NATIONAL REGIONAL ARTS VOLUNTEER TRAINING PROGRAMME

In January 2001, the Government announced the new National Regional Arts Volunteer Training Programme. Funding of \$1.2 million over the period 2000-01 to 2003-04 will be provided jointly to Regional Arts Australia by the Department of Communications, Information Technology and the Arts (\$600,000 from 2002-03 until 2003-04) and the Department of Family and Community Services (\$600,000 from 2000-01 until 2003-04). The programme will provide training and skills development in several key areas, for arts and museum volunteer workers in approximately 80 regional centres across Australia.

REGIONAL ARTS PANEL

In October 2000, the Australia Council appointed the Regional Arts Panel to improve the delivery of arts programmes to regional areas and to increase the visibility of regional arts achievements. It comprises twelve members from all States and Territories who share a breadth of cultural background, direct experience with regional arts projects of outstanding quality, and strong networks with regional communities.

OZECULTURE: EBUSINESS FOR CULTURAL ORGANISATIONS

This national programme is currently assisting cultural organisations to develop eBusiness strategies that will help them secure benefits from the use of the internet in their day to day business. The programme is offered in eleven locations throughout Australia, including the regional centres of Alice Springs, Townsville and Bathurst. Educational material developed for the programme is also available on Australia's Cultural Network website.

FEDERATION FUND INITIATIVES IN REGIONAL AUSTRALIA

In 2000-01 and 2001-02, the Federal Government will spend more than \$280 million from the Federation Fund on the following major Federation Fund projects in regional Australia. During the construction phase, these projects are injecting significant funds and generating jobs in regional Australia and will make significant and ongoing economic, social and cultural contributions. They are:

- Gunnedah Performing Arts Centre;
- Australian Museum of Flight, Nowra;

- Australian Prospectors and Miners Hall of Fame, Kalgoorlie;
- Australian Shearers Hall of Fame, Hay;
- Line of Lode Museum, Broken Hill;
- Queensland Heritage Trails Network;
- Victorian Regional Galleries;
- Alice Springs to Darwin Rail link;
- Abt Railway, Tasmania;
- National Marine Science Centre, Coffs Harbour;
- Jervoise Bay, Western Australia;
- Murray River bridges at:
 - Corowa
 - Robinvale
 - Echuca;
- Oddfellows Hall, Corowa;
- Beaudesert Shire Railway, Queensland; and
- Caboolture Motorway, Queensland.

ECONOMIC AND BUSINESS DEVELOPMENT

Regional infrastructure

ROADS

The 2001-02 Federal Budget for roads is the largest in almost a decade. Projected road expenses are up 26 per cent over 2000-01 figures.

The cost increases vary among States and Territories, with Victoria up by 77 per cent over last year, and rises also for Western Australia (up 30 per cent), South Australia (up 18 per cent), Queensland (a 16 per cent jump) and New South Wales (an increase of 10 per cent).

Overall Commonwealth roads programme expenses for 2001-02 are \$1,819.6 million.

Roads to Recovery Programme

Councils throughout Australia also receive a further \$302.2 million instalment in 2001-02 under the Roads to Recovery Programme, which comprises \$1,209 million over five years from 20 February 2001. The Roads to Recovery Programme commenced in March 2001 and already more than \$62.5 million has been provided to over 430 councils nationwide. As with the revenue sharing grants, councils are free to spend this money according to local priorities.

The additional expenditure for local roads recognises the Federal Government's holistic approach to roads funding – from major interstate highways to feeder freight routes, port roads, strategic bridges, commuter routes and regional arterials.

The Budget allocates \$41 million in 2001-02 towards a \$1,300 million Western Ring Road around Sydney, while the Federal Government is also committed to funding the \$80 million widening of the F3 Motorway between the Hawkesbury River and Calga on the New South Wales Central Coast. The Government will provide \$25.3 million to begin constructing the Scoresby Freeway through Melbourne's eastern suburbs. The overall cost of this project is \$1 billion. The Bruce Highway north of Brisbane will be widened to six and eight lanes, a new Hume Highway entrance to Melbourne will be built, and new port roads will be started at Brisbane, Adelaide and Perth. Four provincial cities and towns on the interstate National Highway network will be bypassed.

The Pacific Highway upgrading, which has resulted in a rapid transformation of this coastal corridor, will cost the Commonwealth \$82.2 million (for New South Wales and Queensland) in 2001-02. The upgrading includes the most expensive road project in rural Australia – the Yelgun – Chinderah deviation. Other rural highways to be

funded include the Great Western Highway and Summerland Way in New South Wales and the Calder Highway and Melbourne – Geelong Road in Victoria.

While the roads programme serves the Government's strategic objective of improving the network of roads connecting 'inland ports', railheads and rural manufacturing centres with cities and coastal ports, it also addresses safety.

The National Highway Programme includes a boosted safety and minor works component. Under the separate Black Spot Programme, \$48.8 million will be allocated in 2001–02, eliminating approximately 400 crash 'black spots'. Since its introduction in the 1996–97 Budget, the Road Safety Black Spot Programme has cost \$186 million and provided more than 1,800 projects. About half of the funds allocated have been, and will continue to be, for safety-orientated projects in regional areas. This is in recognition of the high level of road trauma in regional and rural Australia.

Notwithstanding the Roads to Recovery Programme, the Commonwealth continues to provide untied grants to local government identified for roads which in 2001–02 will cost \$422.3 million – an increase of \$13.5 million from 2000–01.

Bridges

The Government's bridges upgrading programme continues, including strengthening of the interstate National Highway bridges that will cater to higher mass limit vehicles. The Government has also agreed to fund upgrading of another 40 bridges on roads other than the National Highway. It has committed \$44 million to build three replacement bridges across the Murray River under a joint programme with Victoria and New South Wales.

RAIL

Alice Springs to Darwin railway

The rail sector, and industries that rely on it in South Australia and the Northern Territory, will receive a huge boost from construction of the Alice Springs–Darwin railway. The project, costing more than \$1 billion, will generate 2,000 jobs during the three-year construction phase.

The Federal Government has committed \$100 million from the Federation Fund and an additional \$91.4 million towards the railway, which is to be built and operated by a private consortium. The 2001–02 Budget allocation for the project is \$110 million.

The railway has the potential for opening new export markets to Asia for food and goods produced in rural Australia. The railway is also expected to generate employment and opportunities for Australian industry in regional areas.

Mainline track investment

A sum of \$14.6 million has been allocated to upgrade the mainline standard gauge track in 2001-02. Spending under the programme has been carefully targeted, and has already delivered significant transit time reductions and axle-load and train-length increases to the network. When combined with other federal rail reform initiatives, the track improvements will significantly improve the efficiency of rail transport, thereby reducing freight costs for people in rural and remote areas.

In addition, the Commonwealth is prepared to provide \$111 million to the Australian Rail Track Corporation (ARTC) in the form of an equity injection that will enable it to fund rail initiatives in New South Wales. This payment is conditional on ARTC reaching agreement with New South Wales on suitable access arrangements and the development of a sustainable business case to support the investment.

Other rail investments

The Government has also committed \$20.5 million from the Federation Fund to restore the original Abt Railway between Queenstown and Strahan on Tasmania's West Coast. The 2001-02 Budget allocation for this project is \$630,000. This capital injection is expected to contribute to economic growth through new investment and tourism opportunities, as well as boosting employment on Tasmania's West Coast. The project is expected to be completed by the end of 2001.

The Government has taken a facilitating role in supporting the Australian Transport and Energy Corridor (ATEC) and its commercial partners to develop ATEC's Melbourne-Darwin inland railway proposal. The Federal Government recognises the importance of remaining fully engaged as the project develops. Accordingly, in April 2001, it announced the appointment of a Committee of Government members to help facilitate development of ATEC's proposal. The project has the potential to deliver major benefits to Australia and its regions by putting producers in closer contact with markets both here and overseas, and would greatly enhance service delivery and competitiveness in inland Australia.

The Federal Government has agreed to provide \$5 million towards the Beaudesert Shire Railway project in Queensland from Federation Funds. The railway is of considerable historic interest and the restoration of heritage infrastructure will provide a focus for tourism and ongoing benefits to the Beaudesert community.

The Commonwealth Government and Queensland Government are jointly funding a feasibility study into a light rail system on Queensland's Gold Coast.

TORRES STRAIT INFRASTRUCTURE

The Commonwealth will be providing \$15.3 million over three years from 2001-02 for the second stage of the Torres Strait major infrastructure programme, subject to

continued matching funding being provided by the Queensland Government. This programme has already produced substantial and permanent improvements to water supplies, sewerage, roads and other much-needed essential services throughout the region, and this funding will allow the programme to be extended to other Torres Strait Islander communities.

INDIGENOUS HOUSING

Some \$75 million will be allocated over four years from 2001-02 to expand the supply of healthy Indigenous housing through the construction of new houses, upgrading of existing housing stock, infrastructure improvement, and through measures that build the capacity of community housing organisations to manage and maintain housing stock more effectively.

DEFENCE INFRASTRUCTURE

In 2001-02, there is planned capital investment of \$290 million on regional facilities and bases. An estimated \$150 million of this capital investment will be spent in Townsville, Eden, Nowra and Darwin regional centres.

Industry and science

AUSINDUSTRY

AusIndustry is the Federal Government's principal agency for delivering information, programmes and services which support industry and industrial research and innovation. In 2001-02, AusIndustry will deliver 28 programmes with a total value of over \$1.8 billion to more than 18,000 customers.

INNOVATION – BACKING AUSTRALIA'S ABILITY

The Government's Innovation Statement, *Backing Australia's Ability – an Innovation Action Plan for the Future*, is a five-year strategy which will commence in 2001-02 and provide a whole-of-government approach to pursuing excellence in research, science and technology, increasing opportunities for commercialisation, and building a highly-skilled workforce. Over the five years of this strategy, the Government will provide over \$2.9 billion for initiatives to promote research, development and innovation. The Statement was announced after two years of consultation with business, research and education groups. It addresses three themes, representing key steps in the innovation process. These are outlined below.

Strengthening our ability to generate ideas and undertake research

A key objective is to strengthen Australia's research capability, to create critical mass in leading research fields and to build competitive advantage in information and communications technology (ICT) and biotechnology. *Backing Australia's Ability* provides new investment to ensure that Australia's research base remains strong and internationally competitive, with additional funding for research grants (\$736 million over the five years), enhanced infrastructure and facilities (\$583 million over five years), and World Class Centres of Excellence in ICT and biotechnology (\$91 million over five years). Importantly, it includes incentives to stimulate increased business investment in research and development (\$535 million over five years for the extension of the R&D Start competitive grants programme, plus \$13 million for the Tax Rebate and \$460 million for the 175 per cent Premium).

Accelerating the commercial application of ideas

The Government aims to stimulate growth of innovative firms by improving Australia's capacity to commercialise research and new technologies. *Backing Australia's Ability* supports commercialisation of research results through initiatives totalling \$487.4 million that improve public/private sector links, enhance Australia's capacity to build and manage innovation enterprises, encourage the creation of 'spin-off' companies from industry research collaboration, and increase access to overseas science and technology.

Developing and retaining skills

Australia's well-educated and culturally diverse society provides a rich environment that generates original and groundbreaking research. The Government's initiatives in this area include increased university places in critical fields (\$151 million over five years), support for ongoing skills development (loans of \$995 million over five years), increased access to on-line learning opportunities (\$34 million over five years), and boosting our skills base through immigration.

Backing Australia's Ability initiatives that specifically benefit regional Australia include the following:

New Industries Development Programme

The New Industries Development Programme, with \$21.7 million to be allocated over five years, is specifically targeted at assisting agribusiness and technology in rural Australia. Australian agribusiness enterprises will gain the business skills and resources required to successfully commercialise new agribusiness products, technologies and services, thereby generating significant and measurable business and job growth, particularly in rural and regional Australia.

Australian Research Council

Increases to the Australian Research Council national competitive research grant (\$736 million over five years) and research infrastructure funding (\$583 million over five years) will have positive impacts on regional universities, boosting the education system and job potential in regions.

Major National Research Facilities Programme

Backing Australia's Ability is providing \$155 million over five years from 2001-02 to finance the enhancement of existing, and the establishment of new, major national research facilities, thus continuing the programme with a significant increase in funding. The Commonwealth will provide up to 50 per cent of total project costs with at least 50 per cent from sources such as the State and Territory Governments, private research organisations, industry and international institutions and organisations.

On-line Curriculum Content Programme

The On-line Curriculum Content Programme (\$34 million to be allocated over five years) will enhance skills in regional Australia by increasing the range of on-line learning opportunities.

National Innovation Awareness Strategy

The National Innovation Awareness Strategy (\$35 million over five years) will increase science and innovation awareness and encourage young entrepreneurs across Australia. Questacon's *Smart Moves* will specifically target science awareness in regional schools.

General programme initiatives

Several initiatives have national scope and will assist business in regional areas. These include (with funding over five years from 2001-02):

- extension of the R&D Start competitive grants programme (\$535 million);
- the 175 per cent premium rate for additional expenditure on R&D in labour related areas (\$460 million);
- the R&D tax concession cash out (refundable rebate) (\$13 million);
- an expansion of the Cooperative Research Centre Programme which provides scope for participation of regional universities and business (\$227 million); and
- the Commercialising Emerging Technologies (COMET) Programme, which will continue until 2004-05 with business advisers throughout Australia (\$40 million).

INVEST AUSTRALIA

Invest Australia, the Federal Government's national investment agency, promotes and facilitates sustainable and productive investment in Australia. *Invest Australia* is undertaking initiatives designed to increase investment attraction and facilitation in regional Australia and increase awareness of Government programmes for regional areas. It has established a dedicated Regional Australia Investment Strategies team which, in partnership with State and Territory agencies, works with communities to encourage institutional investors, venture capitalists and/or project financiers to invest in regional Australia.

Major Projects Facilitation Project

From July 2000 to April 2001, eleven projects in regional areas were granted major project facilitation status. If all projects proceed as planned, they will generate additional capital expenditure of \$10.4 billion and some 2,900 full time jobs. A further five projects or stages of projects, previously granted Major Projects Facilitation status, successfully completed the approvals processes necessary to proceed. If these projects proceed as planned, they will generate \$5.1 billion in investment and created 1,550 full-time direct jobs.

Feasibility Study Fund

Invest Australia administers the Feasibility Study Fund, which is directed at attracting prospective investors to establish or expand business operations in Australia. As at April 2001, five active feasibility studies were in progress in regional Australia. If these projects proceed to full development, some \$1.2 billion in investment and 499 new permanent jobs may be generated.

Do-it-yourself investment guide for regional Australia

Invest Australia has prepared a draft guide, *Inside Intelligence: Building and Investor's Guide*, to assist rural, remote and regional towns and areas begin the process of developing their own investment attraction strategies and compiling an information database as a useful resource for potential investors. The draft guide is currently being trialed in eleven locations across Australia and is scheduled for release in mid-2001.

Industry sector-specific initiatives

MINERALS AND ENERGY

Corporatisation of the Snowy Mountains Hydro-electric Authority: Commonwealth funding for implementation of environmental flows

Seventy-five million over 10 years will be provided to deliver a significant increase in environmental flows down the Murray River.

The Federal Government and the New South Wales and Victorian Governments will provide a total of \$375 million to implement water efficiency projects and carry out riverine works. This will benefit the environmental condition of the Murray and Snowy Rivers and key alpine rivers. Significant environmental and economic benefits will be achieved from this initiative, including:

- enhancement of water security arrangements in the Murray-Darling Basin;
- increased salinity dilution;
- water for environmental purposes;
- increased water security for irrigators;
- increased quality and volume of water for South Australia;
- improved environmental condition of the river;
- increased employment; and
- eco-tourism in the area, especially for recreational fishing and boating.

Indigenous Communities/Mining Industry Regional Partnerships Programme

Beginning in 2001-02, \$1.2 million over four years will be provided to promote mutually beneficial partnerships between the mining industry and Aboriginal communities, and to encourage them to build on recent achievements in providing training, employment and business opportunities in remote areas.

Petroleum Products Freight Subsidy Scheme

The Government budgeted \$17 million for the Petroleum Products Freight Subsidy Scheme from 1999-2004. Of this amount, it is expected that the scheme will contribute around \$3.5 million in 2001-02.

The scheme reimburses oil companies and other fuel distributors the costs incurred above a specified level for transporting petrol, diesel, aviation gasoline and aviation turbine fuel to more than 100 remote communities. The aim of the scheme is to benefit consumers in these locations by reducing the freight costs. Administrative expenses (\$200,000 per annum) are also paid on a pro rata basis to oil companies to compensate for expenses incurred in participation in the Scheme.

AGRICULTURE AND FORESTRY

Australia's response to foot and mouth disease and other quarantine risks

The Government will provide \$596.4 million over five years (\$6.4 million in 2000-01) to provide additional resourcing and infrastructure to strengthen Australia's defence against the introduction of exotic pests and diseases, including foot and mouth disease.

This funding will be used to implement a heightened quarantine inspection regime to cover 100 per cent of all goods and mail entering Australia and the vast majority of all passengers entering Australia via airports and seaports. Increased monitoring of airline and ship waste disposal will also be maintained. Infrastructure costs at international airports and mail facilities required to implement the increased inspection regime will also be met by the Government.

Continuation of Nairn funding for quarantine activities

The Government will provide \$46.7 million from 2001-02 to 2004-05 to maintain quarantine-related activities at the higher level of resourcing established following the 1996 Nairn report: *Australian Quarantine - A Shared Responsibility*. The additional funding will enable the Import Risk Analysis Programme, Border Processing Programme, animal and plant health activities, the Quarantine Awareness Campaign and the Quarantine Exports Advisory Council to continue at their current capacity.

The Government provided an additional \$8.5 million in 2001-02 in the last Budget for both the Border Processing Programme and the Import Risk Analysis components of the Nairn funded activities.

An additional \$6.2 million per annum towards their services is cost recovered from Australian Quarantine Inspection Service clients.

Rural Financial Counselling Service

The Government will provide \$17.4 million from 2001-02 to 2003-04 to extend the Rural Financial Counselling Services programme. The programme assists businesses in rural Australia, particularly farm businesses, to deal with a range of financial pressures and adjustment issues by providing free financial advice on request.

Funding for each counselling service typically comprises a 50 per cent contribution from the Commonwealth, and 25 per cent each from the State Government and the local community.

Agricultural Development Partnerships

The Government will provide \$26.4 million from 2001-02 to 2004-05 for the Agricultural Development Partnerships programme, a programme that will provide assistance for structural adjustment which is targeted to specific agricultural industries and regions experiencing significant problems affecting farm profitability and sustainability.

Plantations and farm forestry

In 1997, the Commonwealth committed to a national industry-government strategy for plantations in partnership with industry and State Governments. Titled Plantations for Australia: the 2020 Vision. Its aim is to treble Australia's plantation estate between 1996 and 2020. Plantation establishment rates are exceeding the target rate of 80,000 hectares per annum with annual investment of up to \$300 million in rural areas annually. These resources are being established on a scale to supply future value-adding industries in regional Australia, with significant income training, employment and social benefits in the targeted areas of south-west Western Australia, Tasmania and the Green Triangle (south-west Victoria – south-east South Australia).

Flood assistance for dairy farmers in northern New South Wales

(See also the Commonwealth Flood Assistance Package for central and northern NSW and southern Queensland on page 72.)

The Government is providing \$18 million in 2000-01 to assist dairy farmers in northern New South Wales who have been adversely affected by recent heavy rains and floods. The grants of up to \$15,000 per applicant will enable eligible dairy farmers to buy fodder or to replant improved pasture damaged by rain or flooding. The cost will be absorbed from within existing funds allocated for the November 2000 floods.

Additional assistance for dairy farmers

The Government has agreed an additional \$142.4 million in assistance to the dairy industry, targeted at those farmers and communities hardest hit by the price

reductions for market milk that followed industry deregulation by State Governments on 1 July 2000. The additional funding will provide for \$99.5 million of individual payments to current dairy farmers who meet hardship criteria, up to \$20 million in discretionary payments to farmers, including lessors, and an additional allocation of \$20 million to the Dairy Regional Assistance Programme (see page 64).

The assistance package is designed to complement the \$1.8 billion Dairy Structural Adjustment Package, already delivering assistance to dairy farmers throughout Australia, and will be funded by an extension of the retail levy on milk.

Exceptional circumstances – Western Australia

The Government will provide \$23.1 million over four years, (including \$4 million in 2000-01) as exceptional circumstances assistance to nominated shires in the south-eastern wheat belt of Western Australia.

Backing Australia's Ability – New Industries Development Programme Mark II

(See also Backing Australia's Ability on page 51.)

The Government will provide \$20.7 million over four years to support Australian agribusinesses in gaining the business skills and resources required to successfully commercialise new agribusiness products, technologies and services.

The objectives of the programme are to accelerate efforts in helping Australian agribusinesses improve their capacity to successfully develop new, innovative, high value products, services and technologies that will generate additional medium-term commercial outcomes for the benefit of Australia.

Sugar Industry Assistance Package

The Government is currently providing about \$83 million over two years to implement a comprehensive package of assistance for canegrowers throughout Australia. The package is in response to a unique combination of adverse circumstances, including damage to crops from cyclones and flooding compounded by sustained low world sugar prices. Its key elements comprise income support payments for cane growers in severe financial hardship, interest rate subsidies for loans and financial counselling assistance.

National Food Industry Strategy

The Government will provide \$3 million (\$1.5 million in each of 2000-01 and 2001-02) for the development of a National Food Industry Strategy. The aim is to develop a strategic framework to underpin the future growth of an innovative and globally competitive Australian processed food and beverage industry.

The scope of the Strategy includes processed foods, beverages and ingredients, and value-added horticultural produce, but will not address specific agricultural commodity or structure issues. The Strategy will take a through chain approach, encouraging linkages between producers through the food production chain to retailers.

SHIPBUILDING AND SHIPPING

Shipbuilding Innovation Scheme

Under the Shipbuilding Innovation Scheme, shipbuilders registered under the relevant legislation are entitled to the payment of a benefit at the rate of 50 per cent of eligible research and development expenditure, up to a total of 2 per cent of eligible production costs of a bountiable vessel. Eligible research and development expenditure includes adaptive engineering directed at product and process innovation in the shipbuilding industry. The Shipbuilding Innovation Scheme has a budgeted amount of \$51.5 million over five years, concluding in 2004-05, of which \$10.1 million has been committed for 2001-02.

Shipbuilding Bounty

The shipbuilding bounty terminated on 31 December 2000 but phase-out arrangements continue for three years to cover contracts in place at that date, consistent with the Government's commitments. The bounty provides for the payment of a maximum of 3 per cent of the eligible production costs incurred in the construction of a vessel. The Government has allocated \$23 million for the three-year phase-out period to 2003, of which approximately \$12 million will be provided in 2001-02. This programme provides transitional support to the Australian shipbuilding industry while international measures are being implemented to phase out subsidies to the industry.

Tasmanian Freight Equalisation Scheme

The Tasmanian Freight Equalisation Scheme helps shippers to offset the transport-cost disadvantage associated with moving non-bulk goods across Bass Strait. The scheme benefits the Tasmanian manufacturing industry by reducing the cost of importing raw materials and machinery from the mainland, and the cost of exporting manufactured or processed goods to the mainland. It is expected that \$65 million in assistance will be provided to shippers during 2000-01, representing an increase of around \$5 million over the 1999-2000 levels of assistance and that \$65.6 million in assistance will be provided to shippers during 2001-02.

Bass Strait Passenger Vehicle Equalisation Scheme

The Bass Strait Passenger Vehicle Equalisation Scheme provides a rebate of up to \$300 for each return trip for a driver with a passenger vehicle travelling by sea across Bass Strait.

Since its introduction in 1996, there has been a 90 per cent increase in passenger vehicles being carried between the mainland and Tasmania. The latest estimates for 2000-01 indicate that TT-Line will carry some 140,000 passenger-vehicles on the *Spirit of Tasmania* and the high-speed catamaran *Devil Cat*. It is expected that \$16.5 million in rebates will be provided to passengers in 2000-01. In 2001-02, it is estimated that \$17.4 million in rebates will be provided to passengers.

The Bass Strait Passenger Vehicle Equalisation Scheme was extended from 1 March 2001. This was to provide a rebate of up to \$150 each way to passengers travelling by commercial air service between King Island and the mainland whilst transporting an eligible passenger vehicle by sea. The rebate is extended to passengers travelling by air as the shipping service is unable to carry passengers.

IMPROVEMENTS IN SEARCH AND RESCUE ARRANGEMENTS

The Government will provide additional funding to the Australian Maritime Safety Authority (AMSA) of \$3.7 million in expenses over four years to maintain and improve the capability to respond to search and rescue incidents. This funding will increase the number of aircraft available to assist in search and rescue operations, including three dedicated aircraft with contractual commitments to provide guaranteed response times.

The Government will also provide a capital investment of \$1.7 million in 2001-02 to increase the capabilities of AMSA to respond to search and rescue incidents in Australia. Funding will be used to purchase Forward Looking Infra Red equipment to locate distress beacons. This equipment will be installed in a selection of aircraft available to respond to search and rescue incidents, and the programme will involve an increase in the number of search and rescue units. As the majority of new operators will be in regional locations, implementation is expected to increase job opportunities in regional areas, promote the maintenance of transport links by improving the financial viability of regional aircraft operators, and increase search and rescue services.

AVIATION

Remote Air Service Subsidy Scheme

The Remote Air Service Subsidy (RASS) Scheme subsidises five air operators to provide regular services to around 200 remote communities in Queensland, South Australia, Western Australia, and the Northern Territory.

The Government has doubled the scheme's funding over the four years from 2000-01 to 2003-04, investing an additional \$5.2 million in it over that period. The additional funding is allowing an upgrading of RASS services to ensure all communities receive a regular passenger service and expansion of the scheme to include additional eligible communities.

Following a joint tender process with Australia Post in late 2000, new 3 ½ year RASS contracts were established on 1 January 2001. Under the new contracts, operators must provide a full regular public transport service as soon as possible, carrying passengers as well as mail and essential supplies.

The focus is now on identifying more communities that meet the updated eligibility criteria and, within the RASS budget limits, bringing as many of them as possible onto the scheme.

Airservices Australia – extension of location-specific pricing subsidy

The Government has maintained capped prices for control tower services at selected regional and general aviation aerodromes. It has done this by extending the existing location-specific pricing subsidy for a further two years (2001-02 to 2002-03) at the current level of \$7 million each financial year. By permitting charges to be capped at affordable levels, this measure will enable the aerodromes to stay operational, benefiting local communities through the operation of flying training schools and the continued provision of air services.

In the 1999-2000 Budget, a two-year subsidy of \$18 million (\$11 million in 1999-2000 and \$7 million in 2000-01) was agreed, to be recovered by the Government through an increase in the duty on aviation fuels. Extension of the location-specific pricing subsidy for an additional two years will maintain the level of services to regional Australia.

AUTOMOTIVE

Automotive Competitiveness and Investment Scheme

The Automotive Competitiveness and Investment Scheme (ACIS) is designed to encourage investment and innovation in the Australian automotive industry. Commencing on 1 January 2001, the scheme will provide \$2 billion over five years.

The automotive industry in Australia is predominantly located in Victoria, South Australia and New South Wales, with many firms in regional areas. The scheme will assist these firms to become more competitive in an increasingly liberalised trade environment.

TOURISM

Regional Tourism Programme

The Government has committed \$14 million to the Regional Tourism Programme over the period 1999-2003, of which \$4 million will be provided in 2001-02. The programme aims to improve the capability of organisations, businesses and individuals to deliver quality tourism products and services in regional Australia.

TEXTILES, CLOTHING AND FOOTWEAR

Post-2000 Textiles, Clothing and Footwear Assistance Package

The Package represents continued Government support, particularly as a regional initiative, for textiles, clothing and footwear (TCF) industries. It has been designed to promote investment in innovation and research and development to improve the competitiveness of Australia's TCF industries. This is in preparation for the more internationally competitive trade environment, after 2005.

The most significant component is the TCF Strategic Investment Programme, with funding of \$679 million over five years from 2000-01 to promote an increase in investment by the TCF industries in capital plant and equipment; research and development, including innovative product development; and assistance for regional re-configuration.

Complementing the Strategic Investment Programme, the Government has recently introduced three new TCF programmes: the Technology Development Fund; the Market Development Programme; and the National Framework for Excellence in TCF Education and Training. These three programmes, funded at over \$30 million, will help strengthen the TCF industries' employment potential and underpin regional development.

SPACE

The Government is facilitating a number of proposals from private investors to locate space ports in Australia. These projects, currently proposed for Woomera and Christmas Island, have considerable potential to inject new investment in the order of \$1 billion and create hundreds of jobs in regional areas of Australia.

Fostering business

AUSTRALIAN COMPETITION AND CONSUMER COMMISSION INITIATIVES

The Australian Competition and Consumer Commission (ACCC), as a national agency covering competition, consumer protection, public utilities and tax exploitation issues, has offices in all State and Territory capitals, as well as Townsville and Tamworth. This year, the following ACCC initiatives will begin to help improve the welfare of Australians in regional and rural communities.

- Regional Partnership Programme - for improved community access to trade practices information and ACCC services;
- Competing Fairly Forums - using electronic technology, the ACCC will host forums in up to 150 communities across Australia every six months;
- Regional Outreach Officers - these will work with and in regional communities to foster improved regional trade practices outcomes; and
- ACCC Information Centre - a central inquiries and complaints information centre with a 1300 contact number able to be used by all Australians for the price of a local telephone call.

AUSTRALIAN TAXATION OFFICE: SERVICE DELIVERY INITIATIVES IN REGIONAL AND RURAL AUSTRALIA

The Australian Taxation Office (ATO) in conjunction with other agencies such as Centrelink and the Department of Veterans' Affairs, is participating in a federally-funded initiative to provide access to services via video-conferencing facilities for people living in remote and rural areas. Business areas within the ATO are making a greater use of available technology to improve service delivery and access to information.

The Individuals Non-Business (INB) line has also introduced an internal question and answer service 'E respond', and a range of assistance measures, such as telephone calls at local call cost, an Indigenous help line in Alice Springs, ATO staff attendance at

country expos, seminar and visit programmes to assist tax practitioners.

BUSINESS ENTRY POINT

The Business Entry Point (BEP) is an internet-based service, supported by a phone hotline, that provides free access for business to all spheres of government through a single entry point. Funding for the continuation and ongoing development of BEP in 2001-02 will be \$8.2 million.

The BEP framework has been endorsed at the Federal Government, State, Territory, and local government levels, as well as by the business sector. Launched in July 1998, it is the on-line channel for businesses dealing with the Commonwealth. Through the BEP, businesses can access a vast number of business-related resources that cover all stages and aspects of a business's life. Enhancements are being developed to ensure the BEP continues to meet the needs of a large, diverse user community.

BUSINESS INCUBATORS

Business incubators are designed to help new and growing businesses to become established and profitable by providing premises, advice, services and support. In 2000-01, \$5 million was allocated for incubator projects under the Small Business Incubator Programme, with a further \$5 million to be provided in 2001-02.

Around 1,000 businesses have graduated from incubators funded under the programme. Small business incubators are located in all States and Territories, with 58 per cent of them in regional areas.

REGIONAL ASSISTANCE PROGRAMME

In 2001-02, a total of \$32.6 million will be provided for the Regional Assistance Programme (RAP), including community based projects, Area Consultative Committee operations and national projects. The Regional Assistance Programme contributes to the achievement of national employment goals in regional Australia. It does this by encouraging business and communities to take action, in partnership with government, to build business growth and to stimulate sustainable employment.

Assistance to regions is provided through seed funding to not-for-profit organisations, and funded projects are developed in the context of the relevant Area Consultative Committee regional strategic plan.

AREA CONSULTATIVE COMMITTEES

There are 56 Area Consultative Committees (ACCs), which operate throughout Australia and are funded through the Regional Assistance Programme. Of these, 43 are located in regional, rural and remote areas. The ACCs comprise business and community representatives who work towards finding community-based solutions for jobs growth, skills development, regional growth and improved service delivery.

DAIRY REGIONAL ASSISTANCE PROGRAMME

The Dairy Regional Assistance Programme (Dairy RAP) is part of the Federal Government's \$1.78 billion Dairy Structural Adjustment Package, provided following the deregulation of the dairy industry by State Governments. Dairy RAP commenced on 1 July 2000 with funding of \$45 million (\$15 million per annum) over the next two years. An additional \$20 million will be provided over the next three years, bringing the total amount for the programme to \$65 million over three years.

Dairy RAP is specifically aimed at assisting dairy dependent communities to create employment opportunities and to address the social dislocation that may arise from the deregulation of the dairy industry by the States. Under the programme guidelines, both community not-for-profit organisations and private sector enterprises are eligible to apply for funds.

EXPORTS AND INVESTMENT

The Government is committed to ensuring that Australia benefits from international trade and investment flows. A major priority for the Government in 2001-02 is the continued reduction of barriers to the export of Australian goods and services. The 2001-02 Budget also includes a commitment by the Government to the extension of the Export Market Development Grants scheme (see below).

The Government will work to improve market access for our products in overseas markets through means such as negotiations in international trading forums, expanding links with key trading partners and lobbying individual governments to reduce barriers or eliminate impediments to Australian exports.

The Government is keenly aware of the importance of trade to regional Australia in terms of jobs and incomes, and the importance of regional Australia to the economy as a whole. In 2001-02 it will continue to run a number of programmes of interest to exporters and potential exporters in regional Australia.

Export Market Development Grants Scheme

The 2001-02 Budget provides funding of \$150 million per annum for the Export Market Development Grants Scheme, which assists small to medium businesses that want to

develop export markets. The Government remains committed to this scheme, and, in August 2000 announced its continuation for a further five years.

Exporting for the Future

As part of the Government's new Exporting for the Future Initiative, Austrade will deliver a series of programmes which will highlight the benefits of trade and the services available to current and potential exporters. The initiative includes provision of curriculum material for secondary schools, a programme of regional business development seminars, greater participation by Austrade in regional agricultural shows and field days, and a regional radio campaign. It will also involve an active programme of visits and presentations to local businesses by Austrade's Regional Trade Commissioners and managers visiting from Austrade's overseas network.

Sustainable natural resource management

NATURAL HERITAGE TRUST

Australia's long-term economic prospects depend on the sustainable use of our natural resources and conservation of our unique biological diversity. There are significant challenges in addressing past damage to our land and water resources and restoring our environment for future generations.

The Federal Government has responded to these challenges through the successful implementation of the Natural Heritage Trust. Since it was established in 1997, some 300,000 Australians have been involved in Trust activities and over 10,300 projects worth nearly \$1.2 billion have been approved for funding through programmes such as Landcare, Rivercare, Murray-Darling 2001, Bushcare, Coasts and Clean Seas and Endangered Species. The catalytic effect of Commonwealth funding is substantial, with community and State investment estimated to be three dollars for every dollar provided by the Commonwealth through the Trust.

The expenditure estimate for the Natural Heritage Trust in 2001-02 is \$275 million. The Government is extending the Trust with additional funding of over \$1 billion from 2002-03 to 2006-07, in addition to the \$1.5 billion already committed from 1996-97 to 2001-02. Funding will allow the Government to continue its strong national leadership role in addressing national sustainable production and conservation priorities across Australia. This will represent over 11 years commitment to funding on-ground action to conserve and repair Australia's unique environment. The Trust is leading the world in terms of government delivery of integrated environmental and sustainable agriculture outcomes.

The overall direction and types of activities funded under the extended Trust will build on the original Trust outcomes and will be consistent with the objectives of the *Natural Heritage Trust of Australia Act 1997*. The Trust will continue to be jointly

managed through the Environment and Heritage, and the Agriculture, Fisheries and Forestry portfolios.

THE NATIONAL ACTION PLAN FOR SALINITY AND WATER QUALITY

A new key Federal Government initiative is the National Action Plan for Salinity and Water Quality. The National Action Plan was endorsed by the Prime Minister, Premiers and Chief Ministers at the Council of Australian Governments on 3 November 2000. It involves a funding package of \$1.4 billion from the Commonwealth, States and Territories. The significant funding allocation is over a seven-year period and complements the Commonwealth's Natural Heritage Trust.

The National Action Plan represents the first concerted and targeted national strategy to address salinity and water quality problems, two of the most significant issues confronting Australia's rural industries, regional communities and our environment.

The centrepiece of the Action Plan is community-based regional bodies that will develop and implement integrated catchment or regional natural resource management plans. Governments will support this regional approach through substantial block funding, for strategic actions specified in catchment plans and through the provision of technical assistance, skills training, information and data.

The National Action Plan and Natural Heritage Trust together represent the biggest ever investment in protecting and enhancing Australia's environment and natural resources.

GREAT ARTESIAN BASIN SUSTAINABILITY INITIATIVE

The Government is providing funding of \$31.8 million over five years from 1999-2000 to assist with the implementation of the Great Artesian Basin Strategic Management Plan. This measure meets the Government's election commitment in *Primed for Growth*, which was to support pastoral enterprises, and mining and extractive industries in or around the Great Artesian Basin by facilitating progress towards the restoration of groundwater pressures.

Under this measure, grants are made to States to assist bore rehabilitation and the replacement of open drains with piping. The works are being funded in partnership with State Governments and water users, and managed to ensure lasting change in attitudes, water use and grazing management practices.

MURRAY – DARLING BASIN

The Commonwealth is a partner in the inter-jurisdictional arrangement that brings together six governments and the community in a long-term, coordinated approach to

the sustainable management and use of the Basin's water, land and other environmental resources.

The Commonwealth will provide \$11.8 million in 2001-02 to support the activities of the Murray Darling Basin Commission. Under the Natural Heritage Trust, the Commonwealth is providing total funding of approximately \$195 million over six years from 1996-97 to 2001-02, through the Murray-Darling 2001 Programme, for activities to support a sustainable future for the Basin, its natural systems and its communities.

GREENHOUSE INTERNATIONAL POLICY AND REPORTING, AND GREENHOUSE SINKS

The Government will provide funding of \$21.7 million over four years, commencing in 2001-02, to enable the Australian Greenhouse Office to continue to advance Australia's involvement in the development of the international climate change agenda. The funding provides for the capacity to evaluate progress towards Australia's commitments under the United Nations Framework Convention on Climate Change and targets under the Kyoto Protocol.

DOMESTIC GREENHOUSE POLICY DEVELOPMENT EXPENSES

The Government will provide funding of \$24.2 million over four years, commencing in 2001-02, to enable the Australian Greenhouse Office to continue the development of domestic greenhouse policies. The funding will support the analysis and development of cost-effective greenhouse gas abatement policies, including the reduction of emissions from key energy supply and transport sectors. This will continue implementation of Government commitments under the *National Greenhouse Strategy*.

BUSH FOR GREENHOUSE

As part of the Prime Minister's Statement *Safeguarding the Future* the Government has allocated \$5.5 million to the year 2002-03 to Bush for Greenhouse. The programme will enhance Australia's greenhouse sinks estate through facilitating corporate investment into re-vegetation activities.

RENEWABLE REMOTE POWER GENERATION PROGRAMME

The Renewable Remote Power Generation Programme provides rebates of up to 50 per cent of the cost of installing renewable energy generation equipment that reduces diesel use for off-grid electricity supply. The programme is funded from excise paid on diesel used to generate electricity by public generators. States and Territories will be allocated funding on the basis of the relevant diesel fuel excise paid

in that state or territory. Up to \$180 million will be available over the life of the programme.

ADMINISTRATION OF THE FUEL QUALITY LEGISLATION

The Government will provide \$8 million funding over four years, starting in 2001-02 for an ongoing monitoring and compliance programme to enable Australia to meet commitments under the *Fuel Quality Standards Act 2000*. This Act will allow the Government to prescribe uniform national standards for the quality of fuel supplied in Australia, and will protect Australians from emissions resulting from the use of impure fuel. Changes to fuel quality standards will benefit the environment through the reduction of polluting emissions.

NATIONAL POLLUTANT INVENTORY

The Government will provide \$5.1 million funding over four years for the extension of the National Pollutant Inventory Programme, commencing in 2001-02. The National Pollutant Inventory provides all sectors of the Australian community with information on the types and amounts of pollutants being emitted to the air, land and water in Australia.

GREAT BARRIER REEF MARINE PARK

Management of aquaculture impacts

The Government is providing \$1.7 million over four years, commencing 2001-02, to the Great Barrier Reef Marine Park Authority to enhance management of aquaculture adjacent to the Great Barrier Reef Marine Park.

Coastal aquaculture, particularly prawn farming, is a fast-growing industry on the Queensland coast. This measure will serve to ensure that aquaculture developments do not impact upon the environmental values of the Great Barrier Reef World Heritage Area and Great Barrier Reef Marine Park.

Environmental management charge

The Government will extend funding by \$1.7 million over four years, commencing in 2001-02, to the Great Barrier Reef Marine Park Authority to meet an estimated shortfall in receipts from the environmental management charge which visitors contribute towards the maintenance of the reef environment.

Townsville Aquarium – Reef Headquarters

The Government will provide funding of \$6.4 million over four years, commencing in 2001-02, for refurbishment and an ongoing operational subsidy for the Townsville Aquarium – Reef Headquarters. This will enhance visitor facilities and ensure that health and safety standards are maintained.

WILDLIFE PROGRAMMES AND BIODIVERSITY CONSERVATION RESPONSIBILITIES

The Government will provide \$2.8 million over four years, commencing in 2001-02, to maintain and enhance Australia's capacity to meet wildlife and biodiversity conservation responsibilities under the *Environment Protection and Biodiversity Conservation Act 1999* and wildlife protection legislation.

CONSERVATION OF RURAL AND REGIONAL HISTORIC HOTELS

The Government will provide \$5 million in grants in 2001-02 to hotels to meet up to 50 per cent of costs incurred in preserving the historic features or attributes of hotels in rural and regional Australia. Grants will only be paid to hotels without gaming machines, and the social, economic and regional benefits of hotel restoration will be taken into account in determining eligibility for grants.

GOONDIWINDI SERPENTINE WATER PARK

The Government will provide a grant of up to \$5 million in 2001-02 to the Goondiwindi Town Council to develop a natural heritage and recreational facility at Serpentine Lagoon, Goondiwindi. The facility is needed because Boobera Lagoon is to be closed to powerboats in May 2002 as a result of a declaration of protection under the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984*. The new facility will satisfy relevant Commonwealth, State and local legislative requirements and its development will enhance employment opportunities in the region.

CAPE YORK NATURAL HERITAGE TRUST PLAN

The Cape York Natural Heritage Trust Plan is providing up to \$40 million to protect the outstanding natural and cultural values of Cape York. The plan was developed by the Commonwealth in consultation with the Queensland Government and is being delivered by both governments in partnership with the Cape York community.

The plan takes into account the recommendations concerning environmental and cultural protection outlined in the Cape York Peninsula Land Use Strategy, Stage II

Report. Since June 1998 the Natural Heritage Trust has provided over \$11 million to 49 projects across the Cape.

LAKE EYRE BASIN MANAGEMENT ARRANGEMENTS

In recognition of the role of the community in maintaining the nationally important economic, social, environment and heritage values associated with the Lake Eyre Basin, the Federal Government is continuing to support the Lake Eyre Basin Regional Initiative, in partnership with the South Australian and Queensland Governments.

Under the Regional Initiative, the Basin community is taking responsibility for achieving sustainable regional development outcomes while protecting the Basin's unique environmental, social and cultural values. The Lake Eyre Basin Coordinating Group, which has a central role in the implementation of the Initiative, is being supported under the Natural Heritage Trust.

LAKE EYRE BASIN AGREEMENT

Following extensive community consultation, the Federal Government, and Queensland and South Australian Governments signed the Lake Eyre Basin Inter-governmental Agreement on 21 October 2000. The Agreement provides for the sustainable management of the water and related natural resources associated with the major cross-border river systems of the Basin. The Commonwealth has enacted legislation recognising and approving the Agreement. The South Australian legislation to ratify the Agreement was passed by the State Parliament on 3 April 2001 and it is proposed that the Queensland ratifying legislation also be introduced in 2001.

The Agreement establishes a Ministerial Forum which has responsibility for developing, adopting and reviewing policies and strategies related to the management of water and related natural resources in the Basin's major river systems, to minimise and/or mitigate adverse cross border impacts. The Forum will formalise associated community and scientific advisory arrangements, to ensure that community views and local knowledge are fully recognised in decision-making and management processes.

NATIONAL OCEANS OFFICE

The Government will allocate \$9.3 million in 2001-02 to the National Oceans Office.

The centrepiece of the work of the National Oceans Office is the development of Regional Marine Plans. The Government will establish an integrated planning process for the marine waters out to the 200 nautical mile limit of Australia's Exclusive Economic Zone and the extended continental shelf beyond that.

CHEMCOLLECT

ChemCollect is a national programme to which the Commonwealth will contribute approximately \$13.1 million. This will be matched on a dollar for dollar basis by the State and Northern Territory Governments. This one-off government funded collection scheme will be followed by ongoing chemicals collections funded by the agricultural chemicals industry.

ChemCollect provides farmers with the opportunity to safely dispose of unwanted agricultural and veterinary chemicals. If left on farms these chemicals pose a risk to the community, agricultural markets and the environment.

The three-year programme will have a particular focus on hazardous farm chemicals that are no longer registered for use – particularly persistent organochlorine pesticides such as DDT, dieldrin and chlordane. Collections have been completed in the Northern Territory, but will continue in the States until late in 2002.

COMMUNITY-BASED RABBIT CONTROL PROGRAMME

The Community-based Rabbit Control Programme is a sub-programme of the Natural Heritage Trust and based on combined input from the National Feral Animal Control Programme and Bushcare of \$500,000 each. Funding will be provided to landowners and community groups for projects that promote the recovery of nationally endangered or vulnerable plants and animals or ecological communities by controlling rabbit populations in areas of high conservation significance.

DIESEL AND ALTERNATIVE FUEL GRANT SCHEME

The Diesel and Alternative Fuel Grant Scheme maintains the price relativities between diesel and alternative transport fuels by allowing those on-road transport operators that are eligible for the diesel fuel grant to also be eligible for alternative fuel grants. The maintenance of the price relativities between diesel and alternative fuels encourages wider use of alternative fuels and thus reduces greenhouse gas emissions and improves air quality.

Eligible users of alternative fuels such as CNG, LPG and recycled waste oil, and renewable fuels such as ethanol and canola oil qualify for alternative fuel grants.

COMMUNITY EMPOWERMENT

Community partnerships

REGIONAL SOLUTIONS PROGRAMME

The Regional Solutions Programme is an innovative Federal Government initiative helping regional, rural and remote communities find local solutions to local challenges. The Government will allocate \$25 million to the programme in 2001-02.

Regional Solutions is based on flexibility and the belief that the 'one size fits all' approach is not the answer for community capacity building in regional Australia. The programme provides grants to communities to plan and put into action development projects that will lead to stronger local economies and improved access to services.

Projects funded under the Regional Solutions Programme are run by the community for the community. The Programme works with rural and regional communities that want to undertake projects to respond to economic challenges in their local community or region, or to build on their underlying strengths.

The Regional Solutions Programme is a direct result of the Regional Australia Summit and builds on the successful Rural Communities Programme and the Rural Plan initiative.

SOUTH WEST FORESTS STRUCTURAL ADJUSTMENT PACKAGE

The Government has committed \$5 million for a new structural adjustment package to support long-term employment generation in the South West Forests Region of Western Australia, which has been directly affected by changes to the timber industry. The aim is to diversify the economic base of the region and build on its competitive advantage by supplementing private and other investment in employment-generating projects.

COMMONWEALTH FLOOD ASSISTANCE PACKAGE FOR CENTRAL AND NORTHERN NEW SOUTH WALES AND SOUTHERN QUEENSLAND

The Government is providing \$151.7 million over two years for flood assistance, with amounts of \$116.2 million and \$6 million provided in 2000-01 through the Departments of Agriculture, Fisheries and Forestry - Australia, and Transport and Regional Services respectively.

The Flood Assistance Package is aimed at agricultural enterprises in central and northern New South Wales and southern Queensland which have suffered hardship as a result of the November 2000 floods, as well as a series of crop losses in the previous two harvesting seasons. The package provides income support, replanting assistance, an interest rate subsidy and grants of up to \$10,000 to small and medium-sized businesses for reimbursement of the costs of clean-up and repair.

Eligibility for the Business Grant component of the package was extended to communities on the New South Wales north coast that were flooded in the period January to March 2001.

The Government is also providing grants of up to \$15,000 to dairy farmers to reimburse them for the costs of replacing lost fodder or damaged improved pastures as a result of the floods (see page 57).

This assistance is in addition to the existing Commonwealth – State Natural Disaster Relief Arrangements for activities such as repairing roads and public facilities, and ensuring people’s emergency household needs are met.

Federal Flood Recovery Fund

In November 2000, the Federal Government announced a \$10 million Flood Recovery Fund to provide extra support to the rural and regional communities in the severely flood affected areas of central and northern New South Wales and southern Queensland. This Fund is separate from the Commonwealth Flood Assistance Package and additional to Federal assistance under the Natural Disaster Relief Arrangements.

Local Government Authorities, Aboriginal communities, incorporated, not-for-profit, community service organisations, community groups and clubs were eligible to apply for grants to clean up public and community facilities, to provide community services to meet the demand created by the floods and for community facilities reinstatement and reconstruction.

Access to the Fund was extended to the communities on the New South Wales north coast that were severely flooded in January to March 2001.

FEDERAL FLOOD MITIGATION PROGRAMME

The Federal Government will implement a new Federal Flood Mitigation Programme, providing \$40 million over four years to assist State and Territory Governments and local agencies to reduce the risk and damage caused by floods in regional, rural and outer metropolitan areas of Australia. This will have significant benefits for the safety, economic prosperity and employment of those parts of Australia most prone to flood events and cyclone-related flooding.

By extending the former Regional Flood Mitigation Programme to outer metropolitan areas, increasing the quantum of funds available for mitigation, and committing funds over four years, the three spheres of government will be working together to more effectively reduce the vulnerability of communities at risk.

As with the former Regional Flood Mitigation Programme, the new programme will be a partnership with the States and Territories, financially assisting flood-prone local governments to install protective works. In the first year of the Programme, (2001-02), \$10 million will be available to commence new and continuing priority projects.

The Federal Government will fund one third of the cost of approved priority projects. The remaining two thirds of the project cost is to be funded by the State/Territory and local government, with the State/Territory at least matching the Federal Government's contribution. This funding is in addition to existing State and local government programmes.

FOLLOW-UP TO THE NORTHERN AUSTRALIA FORUM

A highlight of the Northern Australia Forum was that it marked the beginning of the 'Collaboration across the North' project, where the Federal Government and Western Australian, Northern Territory and Queensland Governments, northern Australian local governments, and the Northern Australian Area Consultative Committee networks agreed to work together by contributing funds and resources to a joint venture to benefit northern Australia. This venture includes activities such as:

- investigating business development opportunities;
- identifying and promoting trade links to Asia;
- promoting northern Australia to the rest of Australia and Asia; and
- helping to develop a virtual 'Gateway to Northern Australia'.

LOCAL GOVERNMENT

Financial Assistance Grants

The Federal Government recognises the important role local government plays in regional Australia. In 2001-02, local government is expected to be paid approximately \$1.4 billion in financial assistance grants from the Federal Government, an increase of almost 5 per cent, or around \$61 million, over the amount paid in 2000-01. About one third of these funds is notionally allocated to councils for spending on local roads. All of these funds are untied and councils can spend them according to the needs and priorities of their local community. Around \$900 million of the funds will go to the more than 580 councils in rural and regional Australia.

IMMIGRATION

Regional Sponsored Migration Scheme

The Regional Sponsored Migration Scheme places skilled migrants into regional or low population-growth areas of Australia where, traditionally, the skilled intake has been low. It allows employers in rural and regional Australia and some capital cities to nominate people from overseas for permanent entry to Australia when they have not been able to recruit suitably skilled people through the local labour market. The Scheme covers all of Australia except Sydney, Newcastle, Wollongong, Melbourne, Brisbane, the Gold Coast, the Sunshine Coast and Perth.

State/Territory Nominated Independent Scheme

The State/Territory Nominated Independent Scheme enables States and Territories to sponsor Skilled-Independent category and Skill Matching Visa applicants, who are willing to settle in States and Territories where their skills are in demand. State and Territory Governments which choose to take part in the scheme carry out an audit to establish which skills are in short supply and where.

Creating capacity

STRONGER FAMILIES AND COMMUNITIES STRATEGY

Four of the nine elements of the Stronger Families and Communities Strategy are set out below. These four focus on community development. (The other five elements are outlined in the Equity of Services chapter.)

Potential Leadership in Local Communities, provides funding of \$37.1 million to identify and support potential community leaders who live in socially disadvantaged areas and includes a youth cadet type programme.

National Skills Development Programme for Volunteers, provides funding of \$15.8 million to help people in volunteer work build skills and to enable initiatives that will foster volunteer efforts in regional and rural communities.

Local Solutions to Local Problems, provides funding of \$15.4 million for over 500 projects over the next four years, in a programme which recognises great diversity in communities and the potential local responses.

Can Do Communities, provides funding of \$5.2 million to showcase Australian best practice and encourage people to participate in community life.

Service delivery

MORE ACCESSIBLE GOVERNMENT

More Accessible Government aims to improve access to grant programmes and streamline grant administration, with a particular focus on regional, rural and remote communities. The process involves further development of collaborative work by federal government departments to achieve these outcomes.

Grantslink is the first product of the More Accessible Government initiative. It can be visited at www.grantslink.gov.au. Information on a wide range of grants programmes is available from 15 federal government agencies. For those without internet access, an operator at a freecall number (1800 026 222) can guide them through information available on the site.

Improvements have also been made to simplify grant application forms. From December 2001, all Commonwealth grant application forms will standardise the information requested from applicants about the applicant organisation.

Future work will include investigating the standardisation of contractual arrangements; better ways to improve local access to, understanding and uptake of Commonwealth grants; and streamlined funding arrangements for joint projects.

REMOTE COMMUNITIES LIAISON SERVICE

To improve coordination of Commonwealth activities at the local level, a pilot remote communities liaison service is being trialed. Based in Longreach and servicing western Queensland, the service commenced in October 1999. It is proving effective in supporting remote communities to coordinate service delivery and funding applications. This has resulted in increased access to services such as Rural Transaction Centres and innovative solutions to child care issues in the community. The pilot is different in that the service is not tied to the support of a single programme. It provides a whole-of-government response to communities, drawn from across the Commonwealth.

RURAL TRANSACTION CENTRES PROGRAMME

The Government has committed \$70 million over five years (1999-2004) for the Rural Transaction Centres (RTCs) Programme. This programme will help small, rural communities to establish centres that provide access to basic transaction services such as banking, post, phone, fax, the internet, Centrelink services and Medicare Easyclaim. Assistance may also be available to help provide access to an extended range of

services unlikely to be provided commercially, such as Job Network, videoconferencing and rooms for visiting professionals.

The Federal Government has recently enhanced the programme to extend eligibility to Licensed Post Offices, to provide more Commonwealth services through RTCs, to improve linkages with State services and programmes and to appoint a field officer network.

Local communities with populations under 3,000 are expected benefiting from the programme.

BUREAU OF METEOROLOGY

Improved rural weather services

The Bureau of Meteorology provides a broad range of ongoing weather and climate related forecasting and information services to regional Australia. An initiative aimed at enhancing the services to provincial cities and rural areas has been underway since 1996, with the main focus so far being improvements to the infrastructure within the Bureau's field offices so that staff can respond more effectively to local needs for information and services. In 2001-02, a further \$350,000 is expected to be directed towards upgrading services of particular interest to rural areas, including the development of new forecast and information products and improved product coverage in regional Australia.

Web access to weather radar

The Bureau has recently implemented new services on its web site to provide free of charge access to radar imagery from the Bureau's more than 50 radar sites and current weather information from automatic weather stations in regional areas. In 2001-02, coverage will be extended to a range of 250 kilometres from each location, which will increase significantly the regional population served.

Extensions to weather radar network

The Bureau will increase its weather radar network with the installation of three new radars near Canberra, Yarrawonga (Victoria) and Bowen (Queensland) during 2001-02. The capital cost of these installations is about \$3 million.

AUSLIG

AUSLIG is the Government's primary source of advice on land information matters and provides Australia with its only national mapping service. AUSLIG's budget appropriation for 2001-02 is \$26.7 million. AUSLIG provides fundamental geographic

information to support mining, agriculture, transport, tourism and communications industries, as well as defence, education, surveillance and emergency services activities.