

Warren Truss
Deputy Prime Minister
Minister for Infrastructure and Regional Development

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Good afternoon and thank you for your warm welcome.

As you know I have a passion for regional Australia and it is really pleasing to have the opportunity so soon after becoming Minister for Infrastructure and Regional Development to be back speaking of SEGRA, at one of the nation's most important annual conferences on regional Australia.

NEW GOVERNMENT, NEW VISION

To begin, I would like to emphasise that we are a new Government with a new vision for regional Australia.

We are committed to helping regional Australia pursue and seize more ambitious opportunities.

Our vision is based on driving real competitive advantages and productivity improvements through public and private investment.

Central to our vision is a commitment to deliver a fairer share to those who live outside the capital cities.

Regional Australia is strongly represented in the new Coalition Government Ministry, and the Coalition Government includes the overwhelming majority of regional members of parliament.

Regional Australia produces most of our nation's export income and drives much of our national growth, but it often does not receive the attention it deserves.

Now, more than ever, the regions need to, and will be, front-and-centre in our national consciousness.

This Government is committed to improving social and community infrastructure, supporting small business and entrepreneurship, and facilitating access to education regardless of where people live.

GLOBAL OPPORTUNITIES & CONNECTION TO PLACE

This year's conference has dual themes— global and local, and I will be addressing both themes as I talk about the Government's vision for regional Australia.

Everyone here knows how important it is for businesses in regional Australia to tap into global supply chains and capitalise on the opportunities presented by new and emerging national and international markets.

Strong business builds and supports our regional economics and they need good infrastructure and services to drive economic development at the local level.

Regions need local leadership to drive growth and harness opportunities and strong leadership is something that all the most vibrant local communities have in common.

All spheres of government play an important role in making these things happen.

THEME I: GLOBAL OPPORTUNITIES

OPEN FOR BUSINESS

You have probably heard Prime Minister Abbott say that Australia is open for business.

Yes, Australia is open for business—in local, regional, national and global marketplaces.

Being open for business means forging new partnerships as well as building on our international trade relationships to open up export markets and opportunities for producers and manufacturers.

It means investing in the infrastructure—the roads, bridges, highways and railways—that move our goods to market.

It means providing targeted support for research and development, and export assistance to help generate new ideas and make good businesses stronger and more competitive.

It means exploring ways to unlock the vast untapped potential of Northern Australia, and the enormous development and production opportunities the regions present.

FREE TRADE AGREEMENTS

We cannot afford to miss the opportunity to build on our comparative advantages in food production to help our agriculture sector become the 'food bowl of Asia'.

Our trade policy will support Australia's farmers, producers and exporters by delivering trade deals that make a difference.

Just last week at the Asia-Pacific Economic Cooperation meeting in Bali, the Prime Minister reaffirmed Australia's commitment to attaining the Bogor Goals of free and open trade and investment in the Asia-Pacific by 2020.

Agriculture will be at the centre of our free trade agreement negotiations with key export partners such as China, Japan and Korea.

We will seek ambitious outcomes on agriculture that provide real market access gains to Australian exporters.

Australia could be the first significant agricultural producer to conclude a free trade agreement with Japan, giving our exporters a commercial edge over their competitors.

Japan wants to manage its food security objectives through stronger food trade relations with Australia—a partnership that could provide long-term export security for Australian agricultural producers.

Our negotiations with China offer the opportunity for Australian companies to tap into China's growing middle-class, and its demand for the kinds of high quality agricultural products for which Australia is renowned.

Our discussions with Korea could help to catch up lost market share because other countries have Free Trade Agreements with Korea while we do not.

LIVE CATTLE EXPORTS

In the few weeks since the federal election this Government has already got runs on the board.

Minister for Agriculture, The Hon Barnaby Joyce MP, has negotiated increased exports of Australian cattle and boxed beef to Indonesia.

As a result, Indonesian authorities have issued permits to import an additional 75,000 head of cattle this year to meet rising demand.

It was a negotiation pursued because of the importance of our live export industry, and with Australian producers—especially in Northern Australia—in mind.

Importantly, it was the first of many steps as we build a long-term partnership with Indonesia for our agricultural industries.

AGRICULTURE

The Government's efforts to help regional producers enhance their competitiveness and access to international markets go well beyond bilateral trade negotiations.

You may be aware of our commitment to prepare a white paper on the competitiveness of the agriculture sector.

It will focus on how we can boost agriculture's contribution to economic growth, export and trade, and innovation and productivity by building capacity and enhancing the profitability of the sector.

We are also increasing investment in Rural Research and Development Corporations to better deliver cutting edge technology, continue applied research, and focus on collaborative innovation and extension in the agricultural sector.

Research and development is critical to increasing the production of safe, nutritious food to meet our national and global food and fibre needs.

We are also committing \$15 million over four years to support small exporters break into world markets.

INVESTMENT IN INFRASTRUCTURE

Modern infrastructure—be it roads, rail, telecommunications, bridges or airports—is essential for our economy, for much-needed productivity gains and for the future of our regions.

This Government will invest in the infrastructure that Australia needs to support an advanced and growing economy.

Central to that investment is the national highway system.

We have guaranteed \$5.64 billion to fund the duplication of the Pacific Highway from Sydney to the Queensland border, to be completed within the decade.

We are embarking on the biggest works program ever undertaken on the Bruce Highway, committing to an \$8.5 billion package with the Queensland Government to boost capacity, reduce flooding and improve safety on the most treacherous road in the country.

We have also committed \$700 million to the Toowoomba Range Crossing, \$615 million to the Swan Valley Bypass and \$508 million to upgrade sections of the Warrego Highway between Toowoomba and Miles and \$400 million for Midland Highway in Tasmania.

This is an enormous and crucial investment in our highways. But we will need to do more as the freight task doubles over the next 20 years.

That is why we are committed to the iconic Inland Rail line which, when complete, will link the Brisbane to Melbourne via new railway through Central West New South Wales and Toowoomba.

As a new freight corridor, its construction will create commercial opportunities for regional centres right along the length of its track.

Our \$300 million commitment will ensure work on the line commences before the next election.

NORTHERN AUSTRALIA

Now, perhaps more than ever, strong economic growth in the Asian region presents new opportunities for Australian industries to capitalise on growing world demand.

Northern Australia is on the door-step to Asia, and Australia is the only developed country in the world with a significant agriculture sector located in the tropical zone.

Darwin, Townsville, Cairns and Karratha are ideal focal points to build capacity, and the regional platform necessary to sustain additional private sector investment, market competition, job creation and higher standards of living.

Opening up Northern Australia, with its vast untapped resources, has long been a part of our national vision. It will create a stronger Australia.

As we outlined in our Vision for Developing Northern Australia, by 2030 there is potential to:

- Double Australia's agricultural output across the north, with a focus on premium, high quality produce;
- Grow the tourism economy in the north to two million international visitors a year;
- Build an energy export industry worth \$150 billion a year, with a focus on clean and efficient energy;
- Establish world-class medical centres of excellence in northern Australia, with a focus on tropical medicine and research;
- Create an education hub with world-class vocational and higher education campuses; and
- Grow Australia's exports of technical skills in resources and agriculture.

Realising the potential in Northern Australia will require a solid policy platform and effective collaboration between governments and industry.

Government leadership and private sector initiative will also be vital, as well as buy-in from private investors.

But equally important is the role of government to create the right conditions for investment and growth.

In some cases this involves governments reducing regulatory burdens.

In other cases it will involve governments supporting regions to build the social and community infrastructure so important to modern life and ensuring that these communities do not fall behind the rest of Australia.

THEME 2: LOCAL DRIVERS OF ECONOMIC DEVELOPMENT

A FAIRER SHARE FOR REGIONAL AUSTRALIA

I now come to the local component of the Government's vision.

The Government recognises that regional Australia makes a significant contribution to our nation, and that many regions are facing challenges.

We will be working to address these challenges with practical solutions.

We will help regional Australia to seize opportunities to strengthen local economies and ensure our regions get a fair share of the nation's prosperity.

We will be putting regional Australia at the heart of this Government's decision-making by considering the economic, environmental and social impacts of policy decisions on regional areas.

NATIONAL STRONGER REGIONS FUND

During the election campaign I travelled up more than 42,000km to more than 60 regional communities.

I saw and heard about the real problems being faced in regional Australia—how many communities are falling behind the standards taken for granted in the cities.

These communities are entitled to a helping hand.

This help will come via a dedicated National Stronger Regions Fund—to build social and economic infrastructure missing in the regions.

These projects will make regional communities a place where more people choose to live as they pursue opportunities for themselves and their families.

The Fund will have the capacity to generate billions of dollars of investment in the most depressed regions of our nation, targeted to regions with low socio-economic circumstances and where unemployment levels are higher than the national average.

The Fund will allow councils and community groups to apply for grants between \$20,000 and \$10 million, to meet up to half the cost of community projects.

The Fund will have an initial allocation of \$200 million each year commencing in 2015, and at least \$1 billion over five years. In the interim, we will be delivering on almost 100 projects worth about \$300 million which we announced during the recent election campaign.

I am also examining the projects announced by the previous government through its RDA Fund.

Labor has promised \$92 million to 2018 for projects with all but \$35 million already allocated. The funding for Labor's RDA Fund was to come from the mining tax, but as you know the mining tax has raised very little money and we are committed to abolishing this tax on regional Australia.

The projects are therefore unfunded.

The new Coalition Government will, of course, honour all signed contracts which amount to some \$425 million. However, any non-contracted announcements made by Labor fall into the remit of election promises.

We will honour all of our own election promises but we do not feel committed to the promises made by our opponents.

Remember what Labor did with our Regional Partnerships and Sustainable Regions projects when we lost office in 2007. Even though Labor was left with a budget surplus and money in the bank, they axed the lot.

Labor recklessly announced RDA projects all over the country in the lead up to and during the federal election, in the full knowledge that they would never deliver them. Almost, 1,000 projects were added to the RDA list in the last couple of months of the former government – most without having gone through any assessment process, none contracted and hundreds not even announced.

It is a disappointment that so many people across the country had their genuine hopes built up - only to be dashed by what was a Labor con.

I know that most of the projects were worthy and some will have to be funded some way and I am looking at what may be available for the future.

Unlike the previous government's phantom funding based on a flawed and failed mining tax, our \$1 billion National Stronger Regions Fund is fully funded and accounted for as part of the Budget.

The National Stronger Regions Fund will support jobs and help build the social and community infrastructure so important to modern life, including community facilities and local services. The funding is guaranteed and as the national economy improves, we expect more funds will be allocated to and leveraged from the National Stronger Regions Fund.

The Government recognises that local councils and community groups are the foundations of regional areas and we intend to work closely with these groups through the National Stronger Regions Fund to create dynamic, stable, secure and viable communities across Australia.

LOCAL ROADS

Stronger, sustainable communities also need safe and efficient roads to keep them connected with each other and with services and markets.

Ageing network infrastructure is a major challenge for councils, particularly rural and regional councils.

That is why we strongly support the Roads to Recovery and Black Spots programmes to eliminate accident spots across Australia.

We created these initiatives to help address the deplorable conditions on many local roads and streets, especially in regional communities.

We are very proud of these programmes because they are practical solutions that have made our roads safer.

We also know that there are about 30,000 local bridges across the country, some of which are nearing the end of their functional lives and that it costs too much for local councils to replace them.

Those bridges are vital in connecting people to communities, to jobs, to markets and to services and they keep our economy moving.

The new Government has made a \$300 million commitment to the Bridges Renewal Programme to help local governments to deal with this challenge, while also achieving genuine productivity and road safety improvements.

SMALL BUSINESS AND DEREGULATION

We can't talk about regional Australia without mentioning small business.

Small business powers regional employment and regional economies.

This Government is—and always has been—for small business because innovation, investment and enterprise are key drivers of productivity.

Small businesses employ seven million of Australia's 11.5 million workers, which is why they are so important to Australians, particularly in the regions.

Whether it's the corner stores, hardware dealers, farms, the local mechanic or small retailers, they are the lifeblood of our regional communities and the livelihoods for families right across the country.

We will lower costs to business and cut red tape by \$1 billion. We plan a root and branch review of the Competition and Consumer Act to make sure that trading is fair and small businesses are not disadvantaged.

We want to encourage, not inhibit, the growth of small businesses in regional Australia.

LOCAL ENGAGEMENT

Meaningful engagement with communities will be intrinsic to how this Government operates in regional Australia.

It will continue to be a cornerstone of our approach.

A big part of that approach is an enduring commitment to a committee-based network of community leaders.

I know that some of you will be curious about my views on the current Regional Development Australia network and the Government's plans for its future. The performance of the RDA network is mixed and there is a huge variation in the way it operates from state to state.

We are considering the current arrangements and how that structure aligns with our vision for regional Australia.

We recognise that local councils, businesses and community groups are the backbone of regional areas and we intend to work closely with these sectors to build stronger regional economies and cohesive communities.

CONCLUSION

Thank you for the opportunity to speak today.

I don't need to tell you about the importance of the regions—SEGRA is a strong and extremely well-qualified voice on this subject.

I have always lived in regional Australia and I hope I have imparted a sense of how important regional Australia is to me personally and to this Government.

We have made a commitment to engage meaningfully, invest seriously and make regional Australia a genuine part of the national conversation.

It's a commitment for which I would welcome your support.

I wish you a great conference—one that is full of new and compelling ideas that can help us drive the regional agenda together.