

# CORRECTED VERSION

## RURAL AND REGIONAL COMMITTEE

### **Inquiry into the opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria**

Port Fairy — 7 November 2013

#### Members

Mr D. Drum  
Mr G. Howard  
Mr A. Katos

Mr I. Trezise  
Mr P. Weller

Chair: Mr P. Weller  
Deputy Chair: Mr G. Howard

#### Staff

Executive Officer: Ms L. Topic  
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#### Witness

Mr A. Green, committee member, Great South Coast Group.

**The CHAIR** — Welcome, Alex, to the Parliament of Victoria’s Rural and Regional Committee’s inquiry into the opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria. I hereby advise that all evidence taken at this hearing is protected by parliamentary privilege as provided under relevant Australian law. I also advise that any comments made outside this hearing may not be afforded such privilege.

Alex, for the benefit of Hansard, could you give your name and business address, please?

**Mr GREEN** — Alex Green, 181 Manifold Street, Camperdown.

**The CHAIR** — Would you like questions as you go or at the end of your presentation?

**Mr GREEN** — I would prefer it if it was a conversation and you asked as you went. That would be good.

**The CHAIR** — That will be good. You lead off with a few comments and we will have a discussion.

**Mr GREEN** — I just stress that I am here in a role representing the Great South Coast Group councils. I am an officer with Corangamite shire. My nominal title is director of works and services. As my local councillors say, I am the director of stuff, because I basically build stuff. The reason I am here, though, is representing the Great South Coast Group councils. What Great South Coast Group has done, similar to G21, is set up a number of pillars, and I am actually the pillar leader for improving our connections across all six Great South Coast Group councils.

The Great South Coast Group runs from basically the South Australian border right through to Colac Otway and north to Southern Grampians, so it is the south-west. The focus of the pillar and the last couple of years in the set-up of the group has been on what I would call hard infrastructure, or ‘stuff’, and basically it has been about roads, freight and transport issues. We have developed a strategy in concert with previous and current governments, and we are advocating for that. We are sort of moving beyond that, and I guess I would thank this committee for prompting some thinking in this area. It has always been at the back of my mind that one of our ambits in our pillar group is ICT, information and communications technology, and I have never been quite sure where to start or how to start the conversation.

I am going to change my presentation around a little bit. What I have done is revisit a 2011 report that Great South Coast Group had done on this issue. You were asking Ralph what the solution is. When I was reading this yesterday I saw there is potentially an answer in here for state government and indeed for us as a local community. You were asking the question, Geoff, of what we can do. It sits with us as a local community to start that discussion. The blueprint here talks about probably five areas of an action plan that we can get started on, and they are: guidance and leadership, advocacy, collaboration models, developing local talents and skills and research and development. They are pretty bland titles. Under guidance and leadership this report is suggesting that someone — I am suggesting the pillar group itself as a leadership group — look at forging a common vision, understanding the needs and requirements of high-capacity broadband, identifying opportunities for ICT to enhance economic and social policies, looking to develop a champions group for what it might look like in the future and how we as a community might use it and ensuring champions groups include representation from local government, education, health, dairy, agribusiness, manufacturing, finance, tourism and small home-based businesses.

My IT department calls me very dangerous. I too am relatively internet savvy, I like to use technologies, but I am dangerous in that I know how to stuff it up but I do not know how to fix it. I do not know what it is going to look like in the future, and I do not think that as government — local government or even state or federal — we should determine how businesses are going to use these technologies. What we probably need to do, all three levels of government, is be enabling and bring the right people together so that they can start to realise the capacity and the power. The businesses themselves — and indeed, socially, the community — can decide how best to use it. If we provide the right government structures, the right forums and the right infrastructure, the community and the businesses can then adapt to develop businesses and produce livable communities.

**The CHAIR** — So you see a role there for local government in establishing these forums? I suppose you would call them forums.

**Mr GREEN** — Correct.

**The CHAIR** — Would there be a role for state government to assist local government in establishing these?

**Mr GREEN** — The way I always look at it — and we have talked about this a lot in the Great South Coast Group — is that we as a local community have to start this off and push forward ourselves. If we can get that conversation started and we can start to identify some shortcomings in resourcing, support or expertise, then we continually look to state government to partner, and that is absolutely what the role should be. I think that through something like Great South Coast Group as a leadership group, we can bring the right people into the room and start to facilitate the right discussions. But yes, we can partner with state government in helping make that happen.

I was going to try to tell a story about the region — the challenges and the infrastructure. It sounds like you know that. It is probably the same across all of regional and rural Victoria and regional and rural Australia. In a lot of ways, thinking about this, I have personal views on what I think is the best infrastructure but in reality I am agnostic. I do not care. I am that dangerous person who really does not know enough about the technology. The one thing it has to be is fast — fast is good; faster is even better. It probably does not matter how fast or how much faster it is, I think that all the trends show that as the internet and information technology gets faster, we utilise it and we push forward and become more productive.

Thinking back to when I started my working career in the early 90s, at the time a boss was close to retirement. Computers were just being introduced into the office and we still had a receptionist who did the typing. He said to us, 'I don't know why it's important. All I know is that all of you being able to touch-type will be important'. So he forced us to learn how to touch-type over six months. At the start of each working day, we spent half an hour touch-typing on shared computers. That was in a forestry office in regional New South Wales. I can still touch-type without looking at the keyboard and it is the best skill I have ever had. He did not know why it was important; it was an enabler. I reckon that is perhaps what we as a leadership group in Great South Coast Group have to do — that is, start those discussions.

**Mr TREZISE** — In all that, in trying to attract tree and sea change people into the region, have any of the councils within your group looked at the idea or development of telecommuting, for example?

**Mr GREEN** — I can talk about Corangamite shire, being one of the executive. We have struggled with this as an organisation. I have read some of the transcripts from some of the earlier hearings that you have had where people had identified the traditional models of enterprise bargaining agreements or expectations in a workplace around, 'I expect my team to be present to ensure that they are being productive'. That is a real challenge and we have struggled with this. We have tried to dabble with engaging on social media and facilitating working from home and we have struggled. We have described ourselves as a bog standard rural council. We are just standard; we are not special.

We realise that it is important that we enable employees to do things like telecommute. We have introduced iPads into the organisation in only the last 18 months and we have only just introduced iPhones. We see all those things as important attractors. Corangamite shire does not stand out as an employer or location of choice. If you say to a 23-year-old planner, 'Come and work in Camperdown', luckily there are some who want to, but it is not necessarily a particularly appealing location for a 23-year-old. Those sorts of flexibilities in the workplace we definitely see as an attractor and we want to try to push ourselves as an organisation to be proactive in that area.

I think one of the things that we could do as a leadership group across the whole Great South Coast as a grouping of councils and indeed industry is have broader discussions and highlight successes where that has worked to try to bring the whole community along in understanding what this might mean. I think of myself as being on the cusp or between generations. I look at baby boomers — my parents, for example — who do not quite get it. My mum bought an iPad and she does not know quite how to use it and I am comfortable doing that. But then I am not particularly comfortable using Facebook. I have tried, but I just do not quite get it.

I look at my children, who are 9 and 4. For them, the technology almost fades into the background. It is just an enabler. For them, watching iView on the internet-enabled television just streaming all day on a Saturday is just television. They do not think about it being the internet and marvel at being able to do that, but I think that is almost the discussion we have to have. Maybe what we as a group can do is bring the right people, the leaders in the community, into the room to have that discussion around how and what it might look like. There is a

range of other things that this action plan talks about. Advocacy is obviously something that we need as the Great South Coast Group. I think that later today you will hear from some speakers about the shortcomings in infrastructure. Ralph has touched on that, so I will not.

**The CHAIR** — Getting back to Corangamite, you are based in Camperdown and you ask, ‘Why would you go to Camperdown?’. When it comes to telecommuting, if you were an employee of a big business or government department in Melbourne and you had grown up in Camperdown and you wanted to go back to bring your kids up in a rural area — —

**Mr TREZISE** — As you have.

**Mr GREEN** — Absolutely, yes.

**The CHAIR** — How long is it by train from Camperdown to Melbourne?

**Mr GREEN** — Two and a half hours by train and two a half hours by car — the perfect distance.

**The CHAIR** — Yes. For a couple of days a week, a day a week or whatever, if you want to go to Melbourne you could. If you have looked at what we have been doing, you will have seen that there has been discussion about hubs — the crosspollination of ideas and the social aspects of hubs. Would Camperdown be a place that the Corangamite shire views as suitable for a hub?

**Mr GREEN** — Absolutely. I was at a talk at a community development conference where they were talking about hub development in Western Australia, with similar sorts of models. At the time I thought that that would be a fantastic opportunity for regional Victoria, for anywhere within the Great South Coast, across all six councils — for example, in a place like Port Fairy. It is a highly desirable place to visit. Why not do as Ralph does and come and live here? Absolutely, let us look at Camperdown. I know that places like Hamilton are facing some challenges. There are some real challenges where the population has been static and the community are sort of lamenting that. Why not go down the path of establishing a hub, where we might look at telecommuting and the like, and recreate ourselves as a community?

One of the other things that I was thinking about, though, is that in some ways it is sort of hung up on the ability that the IT infrastructure might give us. Perhaps a better way to think about it — I was thinking about this yesterday — is that we need to work out what our social and economic strategies are. In Corangamite shire, and more broadly across Great South Coast, there have been discussions around population attraction. We have a very static population and have had one for a very long time. At least we are not declining, but matched with an ageing population in the coming years we are going to run into all sorts of labour force issues. That will be matched with a regional economy that is just powering ahead and is very diverse. We have very strong dairy and very strong timber industries and broadly agribusiness is very strong in the south-west. We have very strong manufacturing and alternative energy. There is a really diverse range of economic drivers. Who is going to do all that? I am already working 10 hours a day. I do not want to work anymore; I quite enjoy my time off.

**The CHAIR** — With that, though, if you want to attract highly skilled professionals into the area, with connectivity, if their spouse worked in another industry and could do telework or whatever, they would be able to live in this area.

**Mr GREEN** — I guess what I am thinking about is that maybe we as a leadership group need to start talking about the social drivers and our economic and social strategies and how ICT stuff can support that — the telecommuting, the high-speed internet connections that allow the exchange of ideas, access to information and innovative businesses approaches. So you sort of turn it around and think about what we as a community want and use the tool, the stuff, to help enable that, rather than focus on the stuff, the internet and the broadband. I guess that was my main point.

As I say, there is a whole range of actions that I was prompted to have a think about only yesterday because of this inquiry. I think we can start to lead. Once we start that conversation, what we might do then is come back to the state government and look to partner, maybe through — I was going to say Regional Development Victoria, but it is not called that any more. You know what I mean. There are possible options there that I can start to see. I do not know what they look like because we have not got the business in the room to work out what the shortcomings are, where the training shortcomings are, what sorts of ideas they have for the use of this

infrastructure. It is almost a chicken-and-egg thing. We have limited patchwork access to this stuff, so people do not realise the capacity of it.

**Mr TREZISE** — It also probably reflects, to some degree, the history of councils. I think I can say this with all respect, because we have probably all been councillors as well somewhere along the line. You have just talked about the pillars and G21 with your connections, and you have looked at roads, rail and all those types of things. Traditionally councils have looked at those, and it is interesting to hear that they are now, but they need to start to take a lead in areas such as in ICT. I am surprised there is not a pillar dedicated to that issue.

**Mr GREEN** — Ralph made the point that we traditionally think about infrastructure as being roads, rail, airports — the hard infrastructure. This is equally hard infrastructure, but what it enables is information sharing and collaboration, and all the things that are very powerful in bigger cities. It is really powerful, and I think it has real power in helping regional centres grow and, I guess for us, really important economic and social drivers for population growth.

**Mr TREZISE** — Especially when you see little towns like Hamilton and Portland that are starting to stagnate to some degree.

**Mr GREEN** — Yes. I will share with you a personal experience. My wife and I have always lived in regional areas. We met in New South Wales, and we lived in regional areas in New South Wales. My wife is originally from Portland, and so when we started to have kids we moved back into the area, and an opportunity came up in Port Campbell. When we moved to Port Campbell there was dial-up. We moved from Bathurst in New South Wales, a big uni town with good connections, to dial-up — it was like, what have we done? It was really quite dramatic and that was in 2004. Within six months we went to an ADSL2 exchange; it just so happened that it was upgraded. To this day the technicians tell us that we have better speed in Port Campbell than you do in the centre of Melbourne, because there is not the demand on the exchange. It is relatively underutilised.

As I said, with my kids, we have iPads, the internet and Apple TV. They talk to their grandmother who is on holiday in Switzerland, and they know how to use all that sort of stuff. My wife has just spent the last four years doing a masters, and only just last month finished it. She did it all online.

We both have professional backgrounds, and I was talking to her this morning about this. In some ways we may not have been there if that was not available in that location. But what this study does is typify the way the infrastructure capacity occurs across the south-west. It is in concentrated pools, like Warrnambool, Hamilton and Portland, that have relatively good service, but are still a bit wanting. Then when you move out into the regional and rural areas, it just falls right away.

We are talking about industries, particularly agribusiness, that are internationally competitive. On my street in Port Campbell live three of the four cray fishermen. They all deal in international markets. They have holding tanks for their crayfish. They monitor international exchange rates and they wait for the right moment to sell. They talk to their dealers in Japan and China, and then they export straight out of Avalon Airport when the moment is right. When the exchange went down in Warrnambool, I was chatting to one of them. They are your classic cray fishermen: they have black, greasy beanies, and they scowl at you. They deal with offal that stinks a bit.

**Mr HOWARD** — You are being recorded by Hansard here, I will just remind you.

**Mr GREEN** — Is it protected by privilege? They are totally clued into international markets. We have to make sure that our rural communities have the best access in the world. It is about ensuring that they have the best access in the world. I know that, in particular, is not in the terms of reference — what the infrastructure looks like — and, as I said, in some ways we need to almost be agnostic about what it looks like.

**The CHAIR** — I know, but we are about how we can help those businesses to grow and employ more people in the regional areas.

**Mr GREEN** — Absolutely, yes.

**Mr TREZISE** — Alex, you just mentioned the Warrnambool exchange going down, which was roughly 12 months ago. What has been put in place to ensure that does not happen again?

**Mr GREEN** — Again, I stress that I am not a technical expert. My understanding is that there has been considerable work done. I think Bruce Anson from Warrnambool is coming later on, and I think he is much more across the technical details. My understanding is that it is now one of the newest and most advanced exchanges in Australia, so the circumstances around it were fairly unique.

I guess the other anecdote I have for you is a story from a local business, a plumbing business in Timboon. It employed 10 people. The fire, from my recollection, happened in November. It brought the realisation to them of how reliant they were on the internet, and they did not realise it. They could not do orders; all ordering for them was online, so they could not do any orders. They did not realise or quite ever think about how many of their creditors paid online. These are dairy farmers paying online a plumbing irrigation business.

**The CHAIR** — You sound surprised.

**Mr GREEN** — They basically had a cash-flow crisis just before Christmas. It nearly brought them to their knees. I am sure you know these sorts of stories. Everything we do these days is totally integrated into it.

The other anecdote or story I would share is that I was reading something George Fong from Ballarat spoke about. It was about how local and small businesses in regional areas realise that it is not just about integrating and looking at international or national markets but also about expanding their own local markets. I have friends and business owners who live in Princetown. They run Kangarooobie, which is a farm and a school camp. They have branched out into producing their own beef, and they do all the pre-ordering online and then sell to the school camp members at schools. They drive a truck down to Melbourne every month and sell to the students at the school who have been to their school camp, and it is a booming business. They have only just branched out into the local community, and even though we are friends with them and talk to them all on a regular basis, a lot of us now order our meat directly online, and it is a whole growing area of direct marketing from their farm gate. So I think there is a really good lesson in that story — that it can help to enable local businesses to connect with their local markets. I was reading another story from one of the transcripts, or maybe it was from this report, around a butcher in Mortlake or something doing a very similar thing, connecting with his local community.

**Mr TREZISE** — Given that story, is there a role for council therefore to ensure, for example in this instance, that retailers or farmers who are retailing are educated or trained or aware of the strengths in using ICT?

**Mr GREEN** — Really good point. One of the action outcomes of this plan I am looking at and thinking about is building local talents and skills. I wrote down some of the things that suggest building local ICT capacity — through engagement with education and training providers and facilitating regular forums, breakfasts and knowledge-exchange events. That is a role for us as a local leadership group: to bring those sorts of people into the room to talk to other like-minded people, or non-like-minded people, to demonstrate what is possible.

**Mr TREZISE** — You mentioned the word before, I think, ‘champions’.

**Mr GREEN** — ‘Champions’, exactly. I guess this inquiry has prompted me to investigate more fully as a pillar leader what we should be doing. I can see some sort of blueprint, and I need to talk to the rest of the members of the pillar group around this. But I think we come back to state government once we have some sort of local framework happening and say, ‘What about an opportunity here or here in assisting with the training and with the knowledge exchange in developing the ideas?’. I think that would be really beneficial.

**The CHAIR** — Do you have any concluding remarks, Alex?

**Mr GREEN** — Not really. Actually, I do; there is one more point I would make about the Vic fibre project that was announced and has just happened. The Geelong–Warrnambool Vic fibre line has been put in place. We have had people from a number of state government departments come and talk to us about it. I think that is a real start. Once you actually build the infrastructure, the opportunities start to emerge. We as a council are probably going to hook into that line. From talking to our IT manager, it is clear we are going to cut our IT costs

to 40 per cent of what we are currently spending, and we are going to quadruple or maybe even get five times the speed we are currently getting. So it is a dramatic cut in costs and a dramatic increase in capacity. What that means for the business, who knows? But it can only be good.

**Mr HOWARD** — Which is an important part of the discussion that has perhaps not necessarily been had with the NBN rollout — whether the cost to the consumer in terms of economic advantage is a part of that, as well as having the communication capability.

**Mr GREEN** — Absolutely. It is part of the productivity increase, I reckon. Thank you for the opportunity.

**Mr TREZISE** — Thanks, Alex.

**The CHAIR** — We talked about hubs. They can also be seen as coworking centres. Has the Corangamite shire or the Great South West Coast Group thought about coworking centres?

**Mr GREEN** — We have not actively, but as part of this discussion I think it is something we definitely need to look at and how that looks and where it is located. Is it multiple smaller hubs across the region? I think it is a great initiative and a great idea. We will definitely put it on the agenda for further discussion, and maybe we will come back and talk to state government around what it looks like and how we make it happen.

**The CHAIR** — You might talk with the community for a start and see what demands they have.

**Mr GREEN** — Exactly.

**The CHAIR** — Thanks very much, Alex, for the time you have taken with your presentation and being here today. It is a valuable contribution to our inquiry. In about 14 days Lilian will send you a copy of the Hansard transcript, and you will be able to make corrections to obvious errors, but other than that it will be as it is. Thank you very much.

**Mr GREEN** — Okay. Thank you.

**Witness withdrew.**