

# 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**

Traralgon — 11 September 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  
Research Officer: Mr P. O'Brien

#### Witness

Ms M. Aldred, chief executive officer, Committee for Gippsland.

**The CHAIR** — Welcome to this hearing of the Parliament of Victoria Rural and Regional Committee 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 the relevant Australian law. I also advise that any comments made outside the hearing may not be afforded such privilege. For the benefit of the transcript, could you give your name and business address, please?

**Ms ALDRED** — Yes. My name is Mary Aldred, and our business address is 62 Smith Street, Warragul.

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

**Ms ALDRED** — I am happy to do as the committee would like. Perhaps I might start with some opening comments.

**The CHAIR** — That would be fine.

**Ms ALDRED** — I thank the committee for its interest. This is an important issue for regional areas, and Gippsland particularly. I think this issue provides a number of opportunities for our region, but there are also a couple of challenges we face at the moment to take full advantage of that, and that has certainly come across in the feedback that we have had from our member businesses with whom we consulted for our written submission and then as a follow-up before today's committee hearing.

The Committee for Gippsland is a peak business and industry organisation for the Gippsland region. We have nearly 80 members from all parts of the region, starting in Pakenham and going up to Bairnsdale and down into South Gippsland and Bass Coast. We have manufacturing businesses and large ASX companies through to community organisations, Monash University and the two TAFEs in the region, so quite a large snapshot of the community. I have to say we had a strong degree of interest shown by the feedback from all of those sectors in preparation for this submission.

Professional services is a growing industry in Gippsland, particularly for people engaged in that sector being able to move about quite freely throughout the region — having a number of office sites is really important. The feedback from people engaged in that work is that having access to either fast broadband or reliable telecommunications is important for their work. In a moment I will touch on a number of black spot areas that people have fed back to me that break up their communications as they are trying to deal with clients or staff. That is one aspect of it.

Another area of feedback was very strong. You might have noted that recent media has featured Warragul and Drouin in Baw Baw shire, which is among the fastest growing municipalities in Victoria. There is quite a large commuting population from Warragul and Drouin, and even as far as Traralgon, who get on a really early V/Line train every morning and commute into Melbourne. The benefit for their employer is that to be able to do that, all you really need is a laptop and a mobile phone, so they are keen to take advantage of that. There are also people in large businesses based in Gippsland who need to go frequently — several times a week — into Melbourne, and V/Line provides a great option for that, with the train line through West Gippsland and the Latrobe Valley.

However, the problem is that there are a number of black spots, so you cannot carry on one conversation for the entirety of the journey. That is even outside of the Gippsland region — through Officer and Berwick. You may have been on a train from Richmond station to South Yarra, and I think there are some black spots there as well. That came through quite frequently in the feedback to us.

**The CHAIR** — We have heard that earlier this morning as well. We heard that the trains from Ballarat and Bendigo have the same issues. Connectivity on trains is very important to rural and regional areas.

**Ms ALDRED** — It is.

**The CHAIR** — Your second dot point in your recommendations is about OHS and 'notably for the social, emotional, safety and IT support of remote workers'. Could you explain a bit about that?

**Ms ALDRED** — That came through from one of the submissions back to us. Being able to work remotely certainly provides a lot more flexibility in workplaces for both employers and employees. However, if staff

members are working remotely by themselves, there is less of an opportunity to supervise their activities and to make sure that they are satisfied in their work and that OHS and other compliance issues for the employer are being satisfied, which is harder to do when they are working out of the office. That was where that area of feedback came from. It is not a problem that we see, but it is certainly an evolving challenge that we may need to be mindful of when we are looking more and more at people working remotely from their main office.

**The CHAIR** — Some people have suggested hubs, because you are not on your own when you are at a hub. Has the Committee for Gippsland thought about hubs? What are they advocating on that?

**Ms ALDRED** — That is one really good idea. To give you one example, in Warragul there is a Warragul business centre. My understanding is that that office or building has a number of hot desks or terminals. The Warragul Business Group, the local chamber of commerce, works out of there, but I think it is also trying to encourage others, including professional services consultants who might be by themselves as a sole trader, or other offices that do not have a permanent presence in that town but might need to work out of somewhere for a few hours as an option rather than sitting in a cafe for 3 hours with a laptop. I think that is a good idea. It has not had much take-up to date, but the Warragul example is a good one. Gippsland is not a region where there is a Ballarat or a Geelong or one central CBD; it is made up of several medium-sized towns. I think Gippsland could be a good trial for that sort of initiative to be rolled out further.

**Mr TREZISE** — Mary, you have talked about the small enterprises and businesses working out of it, but what about the dozens or hundreds of public servants who go to Melbourne each day from this area. Could the government take an initiative or departments take a step of saying to those employees, ‘If you are computer based, is there a need for you to be coming into Melbourne each day?’? Do we look at those work hubs in areas like Gippsland?

**Ms ALDRED** — That is certainly a very good suggestion to explore further. One of the main reasons people go into Melbourne is for a face-to-face meeting that might not be able to be done over email or phone. To take your suggestion to the next step, one thing you would need would be videoconferencing facilities, which can be a little bit expensive to install at a proper scale, and a lot of small businesses and sole traders do not have those facilities. For example, the RDV office in Breed Street has those facilities, and I know the Committee for Gippsland, particularly if we are working on a project with RDV, will take up their invitation to utilise those facilities. That would be a great idea to be explored further. If we can pool some of those resources, it would cut down on a lot of travel time.

**Mr HOWARD** — Following on from that point, given that, as you said, so many people commute from Warragul and places almost as far down the line as here, has there not been a concern in the Committee for Gippsland that every time those people go off to Melbourne they are shopping at lunchtime in Melbourne or whatever, therefore there is the potential for business being lost. If at least one day a week those people were working from home, then you would be able to gain advantage by people shopping more locally. I thought there might have been an opportunity for groups like the Committee for Gippsland to be proactive about challenging that concept of one day a week not necessarily travelling, or more than one day a week, but if that was the target then it would be a good starting point.

**Ms ALDRED** — Buy local as a concept provokes quite a strong feeling of wanting to promote more of Gippsland. There are a lot of towns. The Trafalgar Chamber of Commerce and the Warragul Business Group are two towns. There is a Try Traf First concept that has just been launched, and a similar one in Warragul. More broadly the Committee for Gippsland is doing a project at the moment on trying to ascertain what the actual dollar figure is that we lose, whether it is goods, services or buying your lunch up the street, and what impact that has on local traders.

To encourage people to spend that extra day in the region there needs to be technologically enabled resources to help them to do that. When they do need to go into Melbourne, we have had a fair bit of feedback on providing free wi-fi in V/Line trains. I know that has been floated previously. The feedback we have had was that the previous proposal was a fairly rolled gold overly expensive one, and it could be done at a more inexpensive level. There is providing technology for when people do need to go into Melbourne on V/Line trains and making sure they are not going through black spots, but then in the region I think there is promoting an understanding of videoconferencing and some of the ways that you can still have those meetings with people based in Melbourne or interstate, but not necessarily travel there yourself.

**The CHAIR** — In some other parts of Victoria people have talked about having a reasonable service in the town but then once you get 5 kilometres or 10 kilometres out of town the service is not there. They also talked about the opportunity for hubs in those smaller towns because the service is not available if you are running a winery or an olive grove or something 10 kilometres out of town. Has the Committee for Gippsland had talks or discussions about those types of opportunities?

**Ms ALDRED** — Not to date, but it is certainly something worth following up. About 40 per cent of Gippsland is small towns of under 1000 people, so we do get a lot of feedback from people about the unavailability of reliable telecommunications in smaller towns. I get a lot of emails from all parts of Gippsland — from South Gippsland and the black spots there through to East Gippsland and even through the valley to West Gippsland — about the impact that has on the different businesses that have fed those examples back. The suggestion of a hub in smaller towns could be something that is very worthwhile in taking up.

**The CHAIR** — This morning several people told us that they were operating quite successful small businesses with the services that are there now. What would the Committee for Gippsland suggest to government in terms of running programs to encourage more businesses to use what is there now and also the national broadband network, whenever it comes on?

**Ms ALDRED** — With the NBN, as a general policy we support fast-speed broadband, whether that is fibre to the home or fibre to the node; we have not picked a winner with those two policies. One thing that we have raised previously is that with the current NBN — and things may change with that current policy setting — we were pleased to see that most of the Latrobe Valley was included in the early rollout phase, but there are a number of large towns like Moe, which is in the Latrobe Valley, that were not included. West Gippsland and East Gippsland were not included in that early three-year rollout phase, so we would very much want that to be revisited and re-addressed.

**The CHAIR** — We are looking at how we get better uptake. You have your early adopters and you have people in the middle and then you have people who may never adopt it. How do we get more people in the middle to adopt and use what is there to grow business in rural and regional areas?

**Ms ALDRED** — A lot of it comes down to information and people understanding what the available technology is. If I can give you another example on the trend to online retailing, that is something that this region needs to, from an economic point of view, have a greater understanding and uptake of because we hear so many examples of people coming into retail shops — and retail is one of the largest employers in Gippsland — and they just do not have the current capability within that store to provide an online retail presence. I think in that scenario providing ‘bricks to clicks’ information through RDV or the regional development offices would be worthwhile. There may be some other opportunities — —

**The CHAIR** — What does ‘bricks to clicks’ mean — that you go from a building to online?

**Ms ALDRED** — Mortar, yes. I am probably being a little concise, but that is the general concept of it. There may be some other opportunities to be able to share that information, particularly with small business owners. One of the key areas of feedback we get from small businesses is that sometimes they feel a bit left out of the conversation because they are so flat out running their own business they do not have time to take time away and go and do a course or go and visit an information session. Somehow we have to reach that demographic of business operators in Gippsland so that they can understand how that sort of technology can directly benefit their sales and their business and so on.

**The CHAIR** — We are here to learn how to contact them and get them to engage.

**Ms ALDRED** — Yes. We work pretty closely with the Regional Development Victoria office in Traralgon, and I understand they have a few business development officers that, as part of their role, are supposed to go out to visit businesses. Certainly the Committee for Gippsland provides our member businesses with information through regular newsletters, policy updates and that sort of thing. I think providing the Committee for Gippsland with information about particular RDV courses or information presentations — —

**The CHAIR** — RDV would not be into running courses; they may put funds up, but RDV would not run them.

**Ms ALDRED** — Sure. If they auspice that through somebody else and if we were aware of that, that would be terrific. Thank you very much for your time. I very much appreciate your interest in this issue.

**The CHAIR** — Thank you very much for taking time out as the executive director of the very busy Committee for Gippsland. We are very honoured to have you here to inform us about what is going on and ways that we can help Gippsland.

**Ms ALDRED** — Wonderful. I hope you enjoy your visit here.

**The CHAIR** — In approximately 14 days time you will get a copy of the Hansard transcript. You will be able to make corrections to obvious errors, but other than that it will be as it is. Thank you very much once again.

**Ms ALDRED** — Thank you, Mr Weller; thank you, committee.

**Witness withdrew.**