

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

Wodonga — 23 October 2013

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Mr C. Elliott, principal consultant and regional manager, GHD Australia.

The CHAIR — Welcome, Colin, to the Rural and Regional Committee of the Parliament of Victoria'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 the hearing may not be afforded such privilege. For the benefit of Hansard, could you give your name and work address?

Mr ELLIOTT — Colin Elliott; I am the regional manager for GHD in north-east Victoria. The address is 105 Hume Street, Wodonga. Could I also point out that I wear a number of hats in this region. Probably the most relevant one to this forum is the RDA hat. I am on the RDA committee locally for Hume, and I am the chair of the ICT subcommittee of that committee. It is probably in that capacity that I am representing here today.

The CHAIR — Would you like to give your presentation or have questions as you go?

Mr ELLIOTT — I do not actually have a formal presentation; I have some notes.

Mr TREZISE — What area does the RDA take in?

Mr ELLIOTT — It is the Hume region, as the state government knows the Hume region to be, which is the 12 local governments around here. It goes all the way down to Mitchell.

The CHAIR — Nathalia.

Mr ELLIOTT — Yes, across to Nagambie and Shepparton, so it is the Goulburn Valley and that. It is the councils adjoining the Hume Highway, basically. It goes across the top; the boundary is the ridge and includes the Mansfield, Alpine and Towong shires. You are probably aware that the RDA has done some regional planning, along with all the other regional groups in Victoria. One of the key objectives for our regional plan was to develop ICT infrastructure for the betterment of the region. It was not just the infrastructure side of things; it was also the way we use that infrastructure. It is about the economic development side of it, I guess.

The CHAIR — How does the RDA suggest that you use the infrastructure?

Mr ELLIOTT — That was the interesting question. That was the question posed to the ICT committee when it was first formed, I guess, some five years ago now. Pretty early on we had ambitions that, 'Yes, we'll bang on the table at NBN headquarters and make them come to our region first'. We realised pretty early on that that was not going to happen. We thought, 'Okay, what can we do that is within our control?'. What we did was develop a strategy for the region as a sort of leader for the whole 12 local government areas. We decided we would put our energy into developing what we called the Digital Hume strategy — I can provide that if you have not already got it — which was finalised about this time last year.

We sort of consider that to be the parent document to all the other that have been developed by the local government councils, and it is the one that Matt developed his strategy around. It is sort of like a much higher level strategy for the region. It was always going to be that the local governments would be the ones to implement the strategy. Wodonga and Albury have gone ahead and started on theirs, and we are hopeful that other councils will do the same. In a way our involvement has ceased. We have developed the strategy; we are now trying to promote it in the local government sectors. I have done a couple of presentations to councils about it — one, actually; one of many, hopefully. We have booked in to go and talk to them about our strategy in the hope that they will get interested in it and take it on themselves, to run their own strategy for their own local government area.

Mr TREZISE — Colin, are you able to talk about some of the key points of the strategy?

Mr ELLIOTT — Sure. There were five key objectives, or focus areas as we called them. They were: maximising the impact of the NBN; striving to get online by 2012, which was current at the time; transforming public services; encouraging digitally enabled businesses; and then marketing Digital Hume as a brand — so the strategy itself as the brand. I can give you some more information about that if you would like.

The CHAIR — Yes. How would you encourage digitally enabled businesses?

Mr ELLIOTT — I can quote this out of the document, if you like. It says that the opportunity will be to enhance and learn from the successes of existing innovative businesses; to attract new sectors that are knowledge driven; and to enable local businesses to find and form global markets and alliances — which is what was Matt was talking about as well, trying to broaden everyone's horizons. In a retail sense, it is not just about waiting for someone to come in the front door; it is about considering — —

The CHAIR — How do we attract them to Wodonga rather than, say, Brighton?

Mr ELLIOTT — Attract who?

The CHAIR — The businesses. You are in there, and you are going to attract new businesses here. Brighton will have the same level of service, or Moonee Ponds will have the same level of service; how do we attract them to Wodonga rather than Brighton or Moonee Ponds?

Mr ELLIOTT — I like to think that if we can get the strategy right — and people like Matt develop good strategies — then people will come based on that; they will be smart enough to realise this is the place to be. But you are always going to get people who want to live in Brighton because it has nicer trees and it is a better place to live. I guess you have to accept that fact, but we want to be seen at least as being digitally literate up here and it being somewhere where people understand digital businesses, I suppose.

The CHAIR — I suppose if we take off your RDA hat and put on your GHD hat, you are the manager for this region but GHD has offices all around Australia, all around the world. Why would GHD put more of their administration into this area?

Mr ELLIOTT — I guess in a sense they have already. We have an office here of 13 staff, whereas 10 years ago there were 5 and it was very much a satellite office. Now it is much more of a serious office, mainly because people can interact a lot more easily with their colleagues in Melbourne. In fact the way the business is structured is that, even though I am a regional manager, the line of command for most of the staff in the office is actually into the Melbourne base, so they are all part of a much broader Victorian group even though they are based here. It has changed the way that GHD does business because of that connectivity. We have videoconferencing and teleconferences. We have been teleconferencing for a long time, but more recently it has been videoconferencing.

The CHAIR — In GHD you have gone from 5 to 13. That is a great outcome. What led to the decision for those 8 people to work here rather than in other parts?

Mr ELLIOTT — I think the reason they are here is that they live here. What it means for GHD is that it opens up the opportunities for employing good people who otherwise would not have moved to Melbourne to come and work for us. We have brought the mountain to them, I guess. There is a double win there: they get to work for a great organisation that is an international company and has all the opportunities that that presents to them, but they also get to work in an area that is home for them. In fact most of the staff we have — with the exception of me, actually — have all come back to town. They have all come from the city. They lived here originally, they moved to the big smoke while they were in their 20s, they have had families and now they have come back home. That is pretty much universal through the office.

Mr TREZISE — Colin, to get this right in my mind, GHD have increased their staff by eight people over the past couple of years. Is that as a result of more work or is it as a result of being able to use digital technology, for example, and therefore being able to locate offices in areas such as Wodonga, or is it a bit of both?

Mr ELLIOTT — I think it is a combination of both. The typical day for my staff would include working on local projects as well as other projects within Victoria or even internationally. The way that we work is very much project based, so someone owns a project — it could be anywhere; in Newcastle or the Middle East — and the skill set that is here is used remotely in that project. The component that someone in my office can do is done here, locally. Because we are all connected via emails and videoconferencing, we can do that. It is a very small world. In fact GHD set their systems up that way so that, for example, I can take my laptop and plug in anywhere in the world basically, and I have the same six-digit phone extension number that people ring me on every other day. They will just ring that number and they will get me in the Middle East or wherever, so it is really quite a good system. It has all been developed on the basis that we are all connected.

Mr TREZISE — That raises a point that we talked about before, which is that from a personal point of view and I suppose also from a health and safety perspective people need to get a break from work. In your instance, working with companies or offices all around the world with different time zones et cetera, you may be working all hours of the night. How would you manage that?

Mr ELLIOTT — I do not find that to be the case. Sure, the email is always active, but it is a case of managing that yourself.

Mr TREZISE — I noted you had a wry smile when Matt talked about leave.

Mr ELLIOTT — Putting the phone aside, yes. It is important that you do manage that time and turn off the phone. I have actually got my phone set so that it does not activate after about 8 o'clock and it comes back on at 7.00. You can actually manage it if you do it well.

The CHAIR — So your phone does not ring after 8 o'clock at night and does not ring before 7 in the morning?

Mr TREZISE — Are you sure of that?

Mr ELLIOTT — Yes.

Mr TREZISE — Just on that, with teleconferencing — and, as you mention here, you have offices in Chile, China and New Zealand — do you utilise technology such as the digital technology to talk to your counterparts overseas?

Mr ELLIOTT — Yes. It is not common; it is not a daily occurrence. The way the business is structured is that we have our various experts around and they are experts in a very specific area. It might be a doctor in some particular body of science. They will be called into any project around the world, and they could be Chile or wherever. During the proposal stage, for example, there will be teleconferences, but during the project running stage the work would largely be sent to them and they would do that in their home base. It does not involve after-hours conversations so much; they do it during their work time.

Often the way we work is to send material overnight, for example. So we do our bit and push 'Send' and they do their day while we are doing our overnight and then it comes back again. We also work with Manila, where we have some really good capability. Stuff would get done over there overnight and be sent back, for example.

The CHAIR — Do your people work in the office all the time or are they work-anywhere people, your employees?

Mr ELLIOTT — I try to encourage everyone to come into the office. They do not have to, because they are all connected. If they have an internet connection, they can work, basically, with the way it is set up. To me it is important to maintain the culture of the office. Having people around, with interaction and all those sorts of things, I think is important. It does give people the flexibility to work at home. For example, if they had a big day and they have a lot on, they can actually go home and still be at the dinner table — that is my philosophy: to be at home at the dinner table with the family — but perhaps do a couple of hours of work afterwards, when they are in bed. You are not stuck in the office until 8 o'clock and missing all that part of your family life, and that is a good outcome as far as we are concerned.

The CHAIR — You are more into a flexible workplace than working anywhere?

Mr ELLIOTT — Yes. We do both, but I guess if you look at the 13 people in my office, probably only 3 or 4 at the moment are working on projects outside the region. They are working largely in the region anyway. Even with the local projects, they will get assistance from their colleagues in Melbourne, other parts of Australia or the world, if need be, for specific components of that project. We use that as a marketing tool, to be honest with you, to say that around here we are a local company but we have global access to any expert you need. That is a successful business model for us.

The CHAIR — Matt spoke about it being worth \$238–\$571 million to the City of Wodonga's annual regional output. What was it for the Hume region when you did yours?

Mr ELLIOTT — I do not think we covered that, to be honest with you. This was much more of a high-level thing. I think we recognised that there were certainly some gains to be had, but I do not think we put a dollar amount on it.

Mr TREZISE — Just getting back to the subject before, you mentioned employees working from home. I might be wrong, but I imagine that your company also has staff working remotely in the field, and I guess they use information or the technology as well?

Mr ELLIOTT — Yes, that is right. Gone are the days of paper and notepad; it is all laptops or iPads and entering data directly into a notebook and then coming back and plugging it into the database and that type of thing. We also have remote monitoring equipment out in the field. It might be measuring groundwater depth or any of those sorts of things. In some instances that is done remotely, so it goes into a data box, which has a mobile connection, and the data is downloaded automatically on a weekly basis. It is not just people out in the field; it is equipment out in the field connecting back in.

Mr TREZISE — Interesting.

The CHAIR — Do you have any final things you would like to leave us with, Colin?

Mr ELLIOTT — How much time do I have?

The CHAIR — You have probably got 10 minutes.

Mr ELLIOTT — I did take some notes on the questions that were sent out, so I will go through those if you like.

The CHAIR — Yes.

Mr ELLIOTT — In terms of the benefits to rural and regional Victoria, the obvious ones are work-life balance and the flexibility that brings, and the influence that can have on a town's population with people escaping the cities, if you like, to come and live out here and still be connected. There are the economic benefits of not having to travel and the expense of the travel, for example.

Mr TREZISE — Colin, just on the point of smaller towns, obviously in the past people left smaller towns because they had to go to a city to work. Are we seeing the benefits of telecommuting and that sort of stuff for smaller towns? People no longer have to leave those towns; they can work remotely. Are we seeing that happening at the present time?

Mr ELLIOTT — When you say working remotely, do you mean working remotely from the cities?

Mr TREZISE — Working remotely from the cities and therefore not having to go to Melbourne.

Mr ELLIOTT — I think in our case it is that they can work in a town they want to live in but they have the benefit of being connected to the big cities. I think an important consideration is what else the city offers. It is not just the connectivity. It is: can their wife go to the theatre and can they get a good cup of coffee? Have they got good health-care?

Mr TREZISE — Health services, education services.

Mr ELLIOTT — That type of thing, yes. Is there a good school in the town and all that sort of stuff? That is the advantage that Wodonga has, because we have all of those things. We are a big enough rural centre that we can offer those things. I guess that is the disadvantage of towns like Bright. It is a nice place to live, but it is a long way from a Big W and those types of things that the family might need — not that it is completely disconnected from a shopping centre, but it is not around the corner either.

In terms of best practice, the things I have observed going through this process and other things is that there are some good things happening with telehealth, the nurse-on-call and e-health, which I understand is a branch of Medicare. Also, we are a digital mailbox, which is an Australia Post initiative. That is something that has a lot of potential. As part of a digital Hume strategy we have set up a blog which discusses case studies of things that are already good about our region in terms of e-business. You might want to have a look at that at some point.

In terms of potential workplace relations and OHS issues, the main one is isolation. If people are working and disconnected from their peers in a physical sense, then there may be issues. You do not have that same sort of teamwork culture if there are a group of people working remotely from each other as opposed to all coming into an office and sharing a coffee at morning tea time and that type of thing. I think that is something that might need to be looked at.

Mr TREZISE — Is that an issue that GHD has with their field staff?

Mr ELLIOTT — No. Our field staff are never permanently out in the field. They might be out physically for a week or two at most, but they always have a home base. In fact I have guys in my office who have two home bases: they have a permanent desk in Melbourne and a permanent desk up here. In a way it is a doubling up, but that is just the way we operate at the moment. In the long term there will be hot desks and things like that, where they will just have the one or they will share a desk with others.

Mr TREZISE — Yes, that is right.

Mr ELLIOTT — In terms of productivity increases there is the obvious time-saving one of not travelling. I guess there is a risk also, if it is not managed properly, that employers might take advantage of the situation. They could say, 'You're saving an hour each day in and out; that's a day a week that you've saved. Therefore, I'll cut you back to four days a week. You can do the same amount of work in that time, and I'll pay you accordingly'. I guess that is a risk that springs to mind in the case of an employer who tries to take advantage — which is not GHD, I might add.

The advantage of course is office space. If it became more prevalent, you would need less office space. You could get away with, say, six desks for 13 staff. In my case I could probably halve my office space if it was managed that way — again, not that I am thinking about doing that at the moment. This is all I have for that.

The CHAIR — Thanks very much, Colin, for taking time out of your very busy schedule to come to give evidence today.

Mr ELLIOTT — It is a pleasure.

The CHAIR — We will be delivering a report sometime in February, and your contribution will help us with our deliberations for the recommendations.

Mr ELLIOTT — I am pleased.

The CHAIR — In about 14 days time you will receive a draft of the transcript. You will be able to change obvious errors, but other than that it will be as it is. Once again, thank you very much for the time you have taken to come along here today.

Mr ELLIOTT — No problem. It is a pleasure. Thank you.

Witness withdrew.