



Australian Government

Australian Government response to the Rural
and Regional Affairs and Transport References
Committee report:

Future role and contribution of regional capitals to
Australia

May 2024

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Overview

The Australian Government notes the report by the Rural and Regional Affairs and Transport References Committee (the committee) on the Future role and contribution of regional capitals to Australia.

On 11 February 2015, the Senate referred to committee the matter of the future role and contribution of regional capitals to Australia, for inquiry and report, with Terms of Reference determined by the Senate requiring the committee to inquire and report on:

- (a) an assessment of current demographic trends and the changing role of regional capitals;
- (b) an analysis of current funding provided to regional capitals;
- (c) an analysis of the benefit of additional funding regional capitals could receive based on population, demand for services and their strategic importance for the region, state or country;
- (d) investment challenges and opportunities to maintain or grow regional capitals, including infrastructure, community and human services, communications and natural resources;
- (e) incentives and policy measures that would support sustainable growth in regional capitals;
- (f) the impact the changing environment will have on regional capitals; and
- (g) any other related matters.

Australian Government response

The Australian Government's response to Future role and contribution of regional capitals to Australia is set out in detail below.

Recommendation 1:

The committee recommends that the Australian government work with state governments to develop a definition of 'regional capital'.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 2:

The committee recommends that the Australian government work with state and territory governments and regional capitals to develop a national strategy for regional capitals. As a starting point, the strategy should:

- provide a framework for consultation between the respective governments and regional capitals;
- take into account the social needs and economic benefits of regional capitals; and
- provide an aspirational target of population movement to regional capitals from capital cities.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 3:

The committee recommends that the Australian government develop a national data set focused on regional capitals. Specifically, data should be gathered on:

- (a) who is using the resources in each regional capital (including non-residents);
- (b) how much Commonwealth and state funding is provided to each regional capital; and
- (c) the projected growth of each regional capital.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 4:

The committee recommends that the Australian government accelerate the roll-out of the National Broadband Network to all regional capitals across Australia.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 5:

The committee recommends that the Australian government modify the university funding criteria to enable organisations that support distance university education to apply directly for funding administered under the *Higher Education Support Act 2003*.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 6:

The committee recommends that the Australian government undertake a comprehensive review of its funding model in relation to Australia's regional capitals.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 7:

The committee recommends that the Australian government work with the local government grants commissions in each state and territory to modify the Federal Assistance Grants program to ensure that the program recognises:

- the projected growth of each regional capital; and
- supports regional capitals to fund the cost of maintaining infrastructure used by residents in surrounding regions.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 8:

The committee recommends that the Australian government work with state governments to develop a shared methodology for infrastructure assessment.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Recommendation 9:

The committee recommends that the Australian government fund an awareness campaign to promote the benefits and opportunities of relocating to regional cities.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.

Australian Greens Recommendation:

The Australian Greens recommend that the government request the Productivity Commission to undertake an inquiry into the success of previous decentralisation policies in Australia and the potential for future active decentralisation policy in Australia, particularly in light of the strains on settlement patterns in capital cities.

The Government **notes** this recommendation. However, given the passage of time since this report was tabled, a substantive Government response is no longer appropriate.