



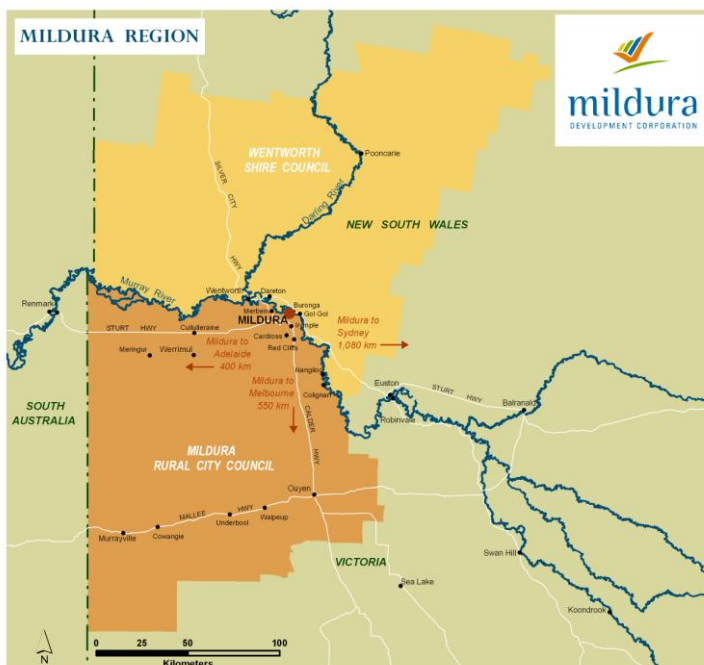
SUBMISSION TO HOUSE OF REPRESENTATIVES STANDING COMMITTEE NATIONAL BROADBAND NETWORK INQUIRY

23rd February 2011

INTRODUCTION

Mildura Development Corporation (MDC) is the peak economic development organisation for the Mildura region. We operate to develop the macro strategic industry level creating and developing positive, commercially viable climates for regional business and enterprise. Our vision is "Creating our region's future".

The Mildura region includes the local government areas of Mildura Rural City Council and Wentworth Shire Council and has a population base of 60,000 people and a land area of 48,355 square kilometres, and is in a significant regional area, being part of a tri-state location.



LOCAL ECONOMY

The Gross Regional Product (GRP) of the region is \$2.788 billion which is largely generated from irrigated horticulture, food processing industries, manufacturing, logistics, services and agriculture.

The region produces a significant amount of Australia's horticulture:

- 98% of dried fruit
- 75% of table grapes
- 65% of almonds
- 24% of citrus
- 41% of pistachios
- 20% of overall wine grape crush

Food and beverage processing is a very strong industry sector with the region boasting 30 wineries along with bottling and beverage plants. As part of this sector Treasury Wines (formerly Fosters) is one of the largest employers in Mildura and the region is also home to Australian Tartaric Acid, a unique processor which recycles grape marc and grape lees, producing Tartaric Acid which is used by the wineries along with Food Grade Spirit.

Employment in the region is heavily reliant on these sectors with 14.7% of the labour force engaged in Agriculture, Fishery and Forestry (3,778 people) and 10.7% engaged in Manufacturing which encompasses the food processing sector (2,750 people). The corresponding retail sector employs 16% of the labour force (4,133 people).

As a significant irrigation district, with large volumes of fresh and processed food production, the region is also a transport hub serviced by 230 road transport and storage companies along with rail freight and the busiest passenger airport in regional Victoria that has over 200,000 passenger movements per year.

Mineral sand mining is a new industry sector that has developed in the region over the past decade, providing a range of employment opportunities and bringing new skills to the region.

Tourism is also a strong industry sector with the Murray River, national parks and cultural history forming the major attractions of the region.

The Mildura region is also diversifying into clean and green energy production with two major project proposals for large scale solar power plants which will bring new investment and employment outcomes.

NATIONAL BROADBAND NETWORK – ADVANTAGES & CHALLENGES

The National Broadband Network is viewed by MDC as an extremely valuable infrastructure upgrade that will provide major benefits for regional areas. The NBN will undoubtedly assist with health and education services across the Mildura region, and will also provide an additional incentive for population attraction back to rural and regional centres. However regional areas such as Mildura will also experience equity issues that will need to be given serious consideration.

Instant connectivity to the world is increasingly important for the Mildura region, which is heavily reliant on exporting commodities. MDC welcomes this upgrade to infrastructure and

supports the overall concept of increased speed of connectivity for the majority of businesses and community households.

Coverage

Whilst the NBN will deliver fibre optic cabling to some towns in the Mildura-Wentworth municipalities, there are various localities of strategic importance which will need to utilise wireless or satellite technologies at lesser speeds. Within these locations there are a number of rural businesses that are already negatively impacted by inferior existing technologies, in terms of limited internet access as a result of their location, and it would seem that this may change only marginally under the NBN. This is an issue that will need further assessment as the infrastructure is progressed, as it could provoke further inequity for regional business development.

There are many farming, tourism and mining businesses of the Mildura region that are located outside of the fibre-optic and fixed wireless footprint of the NBN, being allocated satellite technologies instead. There are also a number of small towns under the current map representations located south of Mildura, that also fall under satellite services. As well as economic considerations, there are social issues that must be investigated such as impacts on skills shortages, population attraction, health and education provision.

Price Parity

It is vital for businesses within the Mildura region to see that price parity is delivered. The NBN will hopefully assist with providing an equitable framework on price between the urban and regional environments. Being able to have similar access to the NBN's wholesale services, will bring about further competition in the retail sector which should see competitive pricing for regional centres.

Community Engagement

Mildura Development Corporation will be working closely with the Regional Broadband Coordinator to instigate community engagement in understanding both the Regional Blackspots Program and the National Broadband Network. Education and engagement will be a very important process in the delivery of this infrastructure into regional Australia, so that full utilisation can occur.

CONCLUSION

MDC appreciates the swiftly changing environment that surrounds the growing use of information technology and also appreciates the need for appropriate infrastructure to service these demands. There will be significant benefits to many businesses and community sectors when the NBN is rolled out.

There are also a number of challenges for the Mildura region that will need to be considered as part of the roll out process, particularly for those communities and businesses located where only wireless or satellite technologies will be available.

Anne Mansell
Chief Executive Officer
Mildura Development Corporation
PO Box 4146
Mildura, Vic, 3502
Ph:
Email

www.milduraregion.com.au