

Regional Capitals Australia

Update for Regional Capitals Alliance Western Australia

Purpose: These talking points have been compiled to give RCAWA a summary of the key activities RCA has undertaken and the key issues we have been monitoring since last updating the group in October.

Newly Elected Board

At the 2020 RCA AGM a new board was elected and is now as follows:

- **Chair:** Cr Kevin Mack – Mayor, Albury City Council
- **Deputy Chair:** Mayor Grant Henley – Mayor, City of Busselton
- **Treasurer:** Cr George Seymour – Mayor, Fraser Coast Regional Council
- **Secretary:** Cr Col Murray – Mayor, Tamworth Regional Council
- **Western Australia Representative:** Mayor Shane Van Styn – Mayor, City of Greater Geraldton
- **New South Wales Representative:** Cr Greg Conkey – Mayor, City of Wagga Wagga
- **Queensland Representative:** Rockhampton Regional Council (Acting Mayor Neil Fisher)
- **Victorian Representative:** Cr Daniel Moloney – Mayor, City of Ballarat
- **NT Representative:** Mayor Damien Ryan – Mayor, Alice Springs Town Council

Decentralisation

- RCA has met with the Minister for Decentralisation's office last year.
- The office advised that the federal government is developing a decentralisation policy that will focus not only on public sector but private sector decentralisation
- RCA have been developing a decentralisation policy position to feed into this policy development and will be submitting it to the Minister in the coming weeks.

Future of the Aviation Sector – Roundtable

Background

- **Inquiry:** On 16 November 2017 the Senate Moved that the Rural and Regional Affairs and Transport References Committee conduct an Inquiry into the operation, regulation and funding of air route service delivery to rural, regional and remote communities
- **The report was tabled** on 7 June 2019 with 9 official recommendations and 5 from Senator Rex Patrick.
- **The Government responded** to report in December 2019:
- **Noted** 8 recommendations
- **Agreed** to 1 recommendation (This was an RCA recommendation): to review the efficacy of Western Australia's Airport Asset and Financial Management Framework with a view of application across all jurisdictions.
- **Consultation:** In the Federal Government's Response they noted the pending development of an Regional Aviation Policy Statement. This was put on hold due to COVID-19 and the emerging changes and challenges to the aviation sector that were not fully realised. (*more detail on the aviation policy statement below*).
- **Issues Paper:** On 1 October 2020, the Department released Flying to Recovery: The Future of the Australian Aviation Sector Issues Paper that discusses the challenges and opportunities for the sector beyond COVID-19.

- **Round table consultation:** On 27 November RCA was invited to participate in a round table on 15 December as part of this consultation process.

Key Points from the Roundtable discussion

- The Future of Australian Aviation Sector round table was hosted by the Department of Infrastructure, Transport, Regional Development and Communications on Tuesday 15 December 2020.
- The roundtable was a consultation session to help the Government design their Aviation policy in light of the COVID-19 pandemic, but more specifically:
 1. **Reducing the regulatory burden**
 2. **Greater local decision-making**
 3. **Targeted assistance**

Organisations who participated:

- John Cameron Aviation
- The Chamber of Minerals & Energy of Western Australia
- Swissport (also representing Australian Aviation Ground Handlers Industry Alliance)
- Transport Australia society/Engineers Australia
- Regional Development Australia Townsville and North West Queensland Inc.
- Redwater consulting group
- Rex Airlines
- Australian Federation of Air Pilots
- Regional Capitals Australia.

RCA's Key Points tabled:

The challenges facing regional airports include:

- Ageing infrastructure;
- Increasing security cost pressures;
- High staffing costs;
- Community service costs; and
- Disproportionately high regulatory cost burden.

Called for ongoing support for:

- The Regional Airports Fund; and
- Domestic Aviation Network Support (DANS) and Regional Airline Network Support (RANS)

Called for new support for:

- Landside infrastructure funding;
- Business case funding; and
- Funding review into aerodrome infrastructure and maintenance.

Outcomes:

- The roundtable was heavily weighted towards the views of the non-government parts of the aviation sector, which were also highly critical of local government's role in supporting ongoing air travel. There was little sympathy for the costs of airports on local government, which are largely borne by the community when costs run at a loss.
- It was disappointing to see Rex continue to be openly critical of regional local government's role in airport management in a public and unmoderated manner.

- The consultation report released by the department highlights some challenges for RCA to address – particularly in the call for more federal oversight in the operation of regional airports as well as a review of capital funding for local government to invest into regional airports.

Recommendation: the Secretariat has recommended to the RCA Chair that these issues are raised with the Deputy Prime Minister.

First Annual Population Statement Briefing

- In 2019 the Centre for Population was developed to provide a single point of analysis to assess, monitor and project changes to the population to inform all kind of policy development.
- The Government also committed to publishing an annual Population Statement containing the Centre’s analysis.
- The first annual “Population Statement” was released in December 2020
- RCA were invited to partake in a briefing regarding the report’s findings
- The statement aim to improve understanding of Australia’s population, how it is changing and is expected to change in the future, and, the implications of those changes.
- A summary of key messages has been provided below and the briefing slides have also been attached

Key Message area	Key projections/Assumptions
Population Growth	COVID-19 will make our population smaller and older than projected before the pandemic – not exactly clear how and when this impact will occur because of uncertainty in borders opening and domestic and global economic conditions in the longer term.
	COVID-19 will decrease Australia’s population growth as severity of COVID increases: will still grow but will be 4% smaller or have 1.1 million fewer people by 2031 than anticipated before COVID, put another way Australia will reach 28 million three years later than expected without COVID.
Overseas migration	The Pandemic will result in a net outflow of migrants for first time since 1946 mainly because of international travel restrictions.
	This is the leading cause of slower population growth projections.
	It’s expected that overseas migration wont reflect pre-COVID levels until 2023-24.
	The centre predicts that inwards migration will be key to Australia’s economic recovery by addressing skills shortages and attracting highly skilled people to niche industries, increasing investment and supporting regional industries.
Internal migration	Interstate migration is expected to decline by 12% (this assumption is in line with what has occurred in previous recessions). This will be the largest year on year drop in 40 years and will be lowest rate as proposition of population on record.
State and Territories	in the short term all states and territories are expected to experience an immediate drop in population growth.
	People moving within Australia expected to lessen.
Cities and regions	Expected that COVID will slow population growth in cities and regions.
	Net intrastate flows expected to shift in favour of regions outside capital cities by 5%.

Capital Cities	COVID is projected to slow population growth in capital cities.
	Melbourne and Sydney are predicted to have largest reduction.
	This will be a short-term shock but Melbourne is expected to become the fastest growing city in 2023-24 and overtake Sydney as Australia's largest city by 2026-27.
Regional movements	Provisional Regional Internal Migration Estimates (PRIME)* data shows that COVID-19 has reduced the number of people moving interstate by 9 per cent in the 12 months to June 2020.
	During COVID there was lower net migration for capital cities while migration to regions outside capital cities rose. This was driven mostly by a decrease in people moving from regional areas.
	NOTE: Updated PRIME data shows in the September quarter 68,713 people relocated to the regions.

**PRIME is a new release from ABS funded by the Centre for Population that provides quarterly regional migration estimates ahead of when would usually be available.*

Key Ministerial Appointments Post December Cabinet Shuffle

There were a couple of **ministerial changes** in the recent cabinet shuffle including:

- **Minister Alan Tudge** is now the Minister for Education (Formerly the Minister for Population, Cities and Urban Infrastructure)
- **Minister Paul Fletcher** is now the Minister for Communications, Urban Infrastructure, Cities and the Arts

Upcoming Delegations

RCA has a delegation planned for 24 February, however this will now be conducted online due to travel restrictions. RCA will be meeting with:

- **The Hon Michael McCormack MP** (Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development)
- **The Hon Paul Fletcher MP** (Minister for Communications, Urban Infrastructure, Cities and the Arts)
- **The Hon Nola Marino MP** (Assistant Minister for Regional Development)
- **The Hon Mark Coulton MP** (Minister for Regional Health, Regional Communications and Local Government)
- **The Hon Andrew Gee MP** (Minister for Decentralisation and Regional Education)
- **Jason Clare MP** (Shadow Minister for Regional Services, Territories and Local Government and Shadow Minister for Housing and Homelessness)

For further information on RCA activity, please contact Rachael Sweeney on 0422 067 858.