

29 October 2021

Regional Connectivity Program
Department of Infrastructure, Transport, Regional Development and Communications
GPO Box 594
Canberra ACT 2601

To Whom it May Concern,

Re: 2021 Regional Connectivity Program Round 2 Grant Opportunity Draft Guidelines

On behalf of the Mackay Isaac Whitsunday (Greater Whitsunday) region, we are pleased to provide comment on the Regional Connectivity Program Round 2 Grant Opportunity Draft Guidelines.

Greater Whitsunday Alliance (GW3) is the peak independent, economic development organisation for the Mackay, Isaac, Whitsunday region. The organisation is strategic and coordinated, focusing on local, national and international networks, and advocates for projects and opportunities from both government and the private sector. GW3 also delivers a range of economic development focused projects to help support and promote prosperity across the broader region.

The Greater Whitsunday region is home to 174,816 people, a land area of 9.01 million hectares and a diversified regional economy with total annual outputs of just over \$42 billion. Located in the strategic heart of Northern Australia, Greater Whitsunday is one of Australia's economic powerhouses, with substantial contribution to Queensland's employment, output and exports underpinned by the strength and depth of its knowledge-intensive mining, advanced manufacturing, agriculture, transport, tourism, and construction industries. The region has a strong focus on the growth of high technology industries.

The Greater Whitsunday region requires active investment in telecommunication and connectivity services to meet current challenges and to strengthen regional well-being and prosperity into the future. The importance of effective digital infrastructure and connectivity has been highlighted by the impact of COVID-19 and is also seen as critical in the region's preparedness and recovery responses to natural disasters (typically cyclones and bush fires occurrences).

GW3 led the establishment of the *Greater Whitsunday Regional Digital Connectivity Forum (RDCF)* to act as a consortia of stakeholders from local government, regional industry sectors, and economic development organisations located within the Mackay, Isaac, and Whitsunday local government areas. The purpose of the RDCF is to address priorities within the Greater Whitsunday regional digital connectivity space through collaboration and leadership.

This submission provides comment on elements of the Round 2 Draft Guidelines where we have identified potential conflict or issues for those wishing to make grant submissions from the Greater Whitsunday region. GW3 is committed to advocating for greater regional connectivity and coverage in the Greater Whitsunday region. Should you have any questions at all, please don't hesitate to contact me.

Yours faithfully,
GREATER WHITSUNDAY ALLIANCE



Greater Whitsunday Alliance (GW3) Comment on Design Regional Connectivity Program – Round 2 Grant Opportunity Draft Guidelines

Below are key elements from the Draft Guidelines that GW3 are pleased to provide comment for consideration and review.

2.3.2 Financial co-contribution

- *Re: All projects will be expected to leverage a substantial financial (cash) co-contribution to the capital costs*

Consider more detailed explanation of the applicability of 'in-kind' contribution (ie, the "market" value of peppercorn lease agreements with State Government/Councils/landowners) and the impact of these agreements on application eligibility and merit. In Queensland, the draft [State Infrastructure Strategy](#) clearly states on Page 94: "While the Queensland Government is a strong advocate for improved digital infrastructure to grow the economy and provide more digital services, the Australian Government and the private sector are responsible for the majority of infrastructure." There is no allocated Queensland State Government budget to support digital co-contribution activities, which places the Greater Whitsunday region at somewhat of a disadvantage.

2.3.4 Operational period

- *Re: All Funded Projects should provide retail services for a minimum period of seven (7) years after the Asset has become operational*

Consider providing short list of examples of recommended and preferred retail services that are eligible for funding (ie, fixed fibre, fixed wireless etc). A list of retail services that are not eligible for funding could also be included.

5.1 Eligible grant activities

- *Re: Proposed Solution must not ... be part of the participating telecommunications provider's forward build network or upgrade plans from the period commencing from the date the Grant Opportunity opens until 30 June 2025*

Consider the impact of this condition on eligibility and merit of applications that could address immediate and necessary improvements to ageing or absent digital infrastructure or connectivity services.

Proposed solutions that have been identified in applicants short to medium term network of upgrade plans could be regarded to have greater and more immediate positive impact on the communities covered under the application and therefore may have merit.

5.1 Eligible locations

- *Re: Ineligible Areas are: Urban Centres and Localities geographical units classified by the Australian Bureau of Statistics as 'Major Urban', ie, with a population of 100,000 or more. The Department will provide map overlays showing Ineligible Areas on request*

GW3 queried the criteria via email on 18 October 2021 to determine whether the entire Mackay LGA is ineligible, in essence excluding small towns within the region with limited telecommunications. A request for overlay maps for the Mackay, Isaac and Whitsunday regions was made.

GW3 received a response from the Department on 20 October 2021 detailing:

- The eligible and ineligible areas encapsulate the entire LGA – this means that all small towns on the outer edges of the Mackay LGA continue to count in Mackay's overall classification.
- Our records suggest the Mackay LGA is not in a 'Major Urban' area and applicants seeking funding for a proposal in this LGA are able to do so under Round 2 of the Program. This

is also the case for the Whitsunday area and the Isaac area. Mackay, Whitsunday and Isaac areas are also not predominantly serviced by NBN fixed line.

- We are currently developing the mapping that you have requested and look forward to providing this mapping to you when it is available.

Clarity around the eligibility of larger regional areas is critical to ensure smaller towns lacking in sufficient coverage and connectivity are not excluded from this funding opportunity.

GW3 recommends releasing detailed mapping of eligible locations with the release of the Round 2 Funding Guidelines.

5.4 What the grant money cannot be used for

- *Re: To ensure that applicants do not see Program funding for Proposed Solutions in areas where they have already planned to invest commercially, all applicants must certify that none of the Proposed Solutions for which Grant Opportunity funds are being sought were at any time part of their forward build network expansion or upgrade plans from the period commencing from the date the Grant Opportunity opens until 30 June 2025*

As above (5.1 Eligible grant activities), consider the impact of this condition on eligibility and merit of applications that could address immediate and necessary improvements to ageing or absent digital infrastructure or connectivity services.

Proposed solutions that have been identified in applicants short to medium term network of upgrade plans could be regarded to have greater and more immediate positive impact on the communities covered under the application and therefore may have merit.

GW3 wish to thank the Department for the opportunity to review the Draft Guidelines and make a submission. [REDACTED]

[REDACTED]