

Inquiry into the opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria

Victorian Government Response

August 2014

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BACKGROUND

On 29 November 2012, under section 33 of the *Parliamentary Committees Act 2003*, an inquiry into the opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria was referred to the Rural and Regional Committee for consideration. The Terms of Reference for the inquiry directed the Committee to have particular reference to:

- a. identifying the potential benefits for rural and regional Victoria if more people were able to work remotely;
- b. examining best practice in e-business and remote working policy in other jurisdictions;
- c. identifying any legislative impediments at a state, federal or local government level;
- d. determining potential workplace relations, or occupational health and safety issues that would need to be addressed; and
- e. establishing potential productivity, infrastructure or other savings associated with fewer employers and employees needing to travel to and from work each day.

The Committee's final report was tabled in Parliament on 5 February 2014.

This document is the Victorian Government's response to the recommendations of the inquiry into opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria.

INTRODUCTION

The Victorian Government welcomes the report and recommendations of the Rural and Regional Committee's 'Inquiry into opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria'.

Digital communications are now crucial technologies for modern economies offering a range of economic and social benefits. In recent years traditional telecommunications, based on telephone services, have been overtaken by digital communications services, which deliver internet, video and applications like cloud computing in addition to voice services.

The spread and take-up of digital communications across the economy is enabling more and more people to undertake activities and access services from remote locations, whether it's telecommuting, e-business, or online education. These trends are challenging the traditional notion that employees need to be located in a designated office to undertake their work. Digital communications also provide new e-business opportunities, which circumvent the need to establish a physical 'bricks and mortar' presence and allow people to operate from virtually anywhere.

However, the potential benefits offered by telecommuting can only be realised if users can easily access reliable digital communications services, the enabling technology and associated applications, and use them effectively to innovate and implement new business practices.

Government can support the development of digital communications infrastructure and improve business and consumer awareness of digital services and the associated applications which can drive economic and social development. Key roles government can play include actions to support infrastructure investment, information dissemination and capability development.

Telecommuting is a particularly relevant application enabled by digital telecommunications for rural and regional Victorians who face challenges associated with their relative geographic isolation from urban centres and central business districts. Telecommuting offers these Victorians a more flexible balance between the requirements of their job and their workplace as well as providing access to a greater range of economic and social opportunities without the need to relocate.

In the context of the Commonwealth Government's substantial National Broadband Network rollout, the Committee's inquiry has provided a timely opportunity take an in-depth look at the ways in which telecommuting can be further supported for the benefit of Victoria's regional and rural communities.

The Victorian Government has worked consistently to improve the telecommunications environment in Victoria to support Victoria's long-term competitiveness and prosperity. There has been a particular emphasis on supporting the development of telecommunications infrastructure that provides businesses and citizens with access to these critical technologies.

The Government appreciates the opportunity to respond to the Committee's report.

GOVERNMENT RESPONSE

The government has responded to the nine recommendations from the inquiry into opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria are provided below.

Overall, the government supports all nine of the Committee's recommendations, with two supported in full and seven supported in principle.

Where the Victorian Government supports the recommendations in principle, its response is due to further work underway, and which needs to be completed, to determine the most effective and appropriate approach to address the issues identified by the Inquiry. In many instances the Government has already actively pursued the intent of the recommendations, which is noted in the Government's response.

Recommendation	Position and response
<p>RECOMMENDATION 1 That the Victorian Government establish a telecommuting policy with the view to increasing economic productivity across rural and regional Victoria. This policy should establish a telecommuting target for the number of people in Victoria working remotely under a formal telecommuting agreement with their employer at least one day a week.</p>	<p>This recommendation is supported in principle</p> <p>The Victorian Government supports in principle this recommendation, and will consider ways to promote and support telecommuting through existing policy and program work aimed at supporting the adoption and use of information and communication technologies (ICTs) more broadly.</p> <p>The Victorian Government understands the importance of telecommunications and ICTs in driving economic and social development. The ability of these technologies to transform the way in which we interact and do business is vast and continually expanding. These ICT-enabled business practices include telecommuting along with things such as online transactions, social media, cloud services, and data analytics.</p> <p>The Victorian Government has developed and released a number of policies and strategies to help support the use of ICTs across the state, including:</p> <ul style="list-style-type: none"> • the 2011 release of the Government’s <i>Technology Plan for the Future – ICT</i> which included a number of programs to assist the development of Victorian telecommunications infrastructure and broader market • the <i>Victorian Government ICT Strategy - 2013 to 2014</i> which was recently updated for 2014 to 2015. These strategies articulate the actions being taken to improve the use of ICTs across the Victorian Government to improve citizen engagement and service delivery. <p>The Victorian Government has recently committed \$40 million to address mobile black spots across regional and rural Victoria as well as provide continuous mobile internet services along a number of V/Line commuter routes. Improving access to digital communications through such programs will support achieving the Committee’s objectives of this inquiry by enabling greater adoption of ICT-enabled applications like telecommuting throughout Victoria. This funding will also be used to leverage Commonwealth Government programs such as the \$100 million Mobile Coverage Programme and the National Broadband Network (NBN) rollout to deliver greater improvements to Victoria’s telecommunications infrastructure and services.</p> <p>In June 2014 the Victorian Government undertook consultation in relation to Victoria’s digital</p>

	<p>economy. This consultation provided an opportunity for public input on priority issues relating to Victoria’s digital economy and ways in which it can be supported, including on the issue of telecommuting.</p> <p>The Victorian Government is also undertaking ongoing policy work around regional communications infrastructure and has undertaken preliminary consultation with key regional stakeholders on this issue. These policy processes will provide an avenue for further consideration of ways to support telecommuting and e-business throughout regional and rural Victoria.</p> <p>Telecommuting as a flexible working arrangement has the potential to deliver significant benefits to employers and employees. The Victorian Government considers that such arrangements need to be agreed at the enterprise level on a case-by-case basis with an understanding of each business’s needs and circumstances. Formal telecommuting policies are not necessarily required. Given this the Victorian Government does not support the establishment of targets for these arrangements noting that doing so could impose additional administrative burdens on businesses.</p> <p>However the Victorian Government considers it appropriate to monitor and support the infrastructure, skills and access to technology which supports telecommuting.</p> <p><i>Further Victorian Government Action</i></p> <ul style="list-style-type: none"> • The Government will continue to consider ways to support and promote telecommuting to drive productivity across regional and rural Victoria through ongoing policy development relating to the digital economy and regional communications infrastructure.
<p>RECOMMENDATION 2 That the Victorian Government develop a government-wide telecommuting strategy for the public sector, and establish a unit within the Department of State Development, Business and Innovation to oversee and promote telecommuting across the Victorian Public Service. The role of this unit would be to develop policy</p>	<p>This recommendation is supported in principle</p> <p>The Victorian Government supports in principle actions that can promote greater adoption of telecommuting across the public sector where such arrangements are appropriate.</p> <p>As discussed in the response to Recommendation 1, the Victorian Government has released successive <i>Victorian Government ICT Strategies</i> for 2013-2014 and 2014-2015. These</p>

which would include:

- Altering Section 16 of the current Victorian Public Service Agreement to encourage telecommuting
- Development of a telecommuting template policy that can be used by government and business and which includes clarification of the specific occupational health and safety requirements of employers regarding home-based employees
- Ensuring that public sector jobs are advertised as suitable for telecommuting from the outset, where appropriate
- Establishment of 'hot desks' in rural and regional government offices which could be used by government staff currently located centrally
- Promoting the uptake of telecommuting across all parts of the State Public Sector.

strategies provide high-level direction on the design and use of information and communication technology (ICT) to deliver better government services incorporating a range of actions that will help to achieve this objective. A number of these action areas will enable greater telecommuting across the Victorian Public Service, including actions relating to:

- Mobility – actions in this area are providing guidance to agencies to assist in the adoption of mobile technologies, include applications. Greater mobility for accessing government services and information systems will support telecommuting among employees, whether at a remote workplace or when on the move.
- Bring your own device (BYOD) – policy development work in this area will support agencies to implement BYOD arrangements without compromising security, interoperability or performance. The ability of employees to utilise their personal and preferred devices to undertake their work will support people moving to more flexible working arrangements.
- Cloud based platforms – the development of an infrastructure and services roadmap as part of the *Victorian Government ICT Strategy 2014 to 2015* will support agencies to identify and procure cloud-based services. As more of the Victorian Government's activities are supported by cloud-based applications it will improve the ability for employees to access the necessary systems and information to undertake their work from any location.

With regard to the Committee's recommendation to establish a unit to promote telecommuting, the Victorian Government notes that the Victorian Public Sector Commission (formerly the State Services Authority) provides advice and develops resources to support the public sector in workforce management and development. In order to promote flexible working arrangements, the then SSA developed comprehensive resources to guide public sector agencies. These include:

- *Managing a dispersed team* – this document is a guide for public sector managers whose direct reports work in a different location
- *Making flexible work a success* – this resource provides a broad range of guidance on issues relating to flexible work arrangements, including specific consideration of issues relevant to working from home/telecommuting.

Section 16 of the current Victorian Public Service Determination 2012 provides flexibility for

employers and employees to establish home based work arrangements where appropriate. Based on this clause a number of departments have developed working from home policies which support telecommuting arrangements.

The Victorian Government has established new governance and coordination structures around its use of ICT, which provides a mechanism for further consideration of telecommuting initiatives across the public sector in line with this recommendation. The Victorian ICT Advisory Committee (VICTAC) has been established to provide advice to the Minister for Technology on the most efficient use of ICT within the Victorian Government, with a chief task being to oversee the development and implementation of the *Victorian Government ICT Strategy*. VICTAC is chaired by Victoria's Chief Technology Advocate, a new role created by the Victorian Government to support better coordination and leadership of ICT initiatives across government.

These governance arrangements and the ongoing work in relation to the *Victorian Government ICT Strategy* provide an avenue for further consideration of technology issues that may be affecting telecommuting across the public sector and where these issues may warrant whole of government actions.

Relating to the Committee's recommendation to establish 'hot desks' in regional government offices for government staff to use, an informal arrangement already exists across the Victorian Government's network of Victoria Government Business Offices where Government staff can utilise these offices to work across regional Victoria.

The public consultation on the digital economy has also canvassed the transformative effect of digital technologies on how the Government uses digital technologies to deliver services, engage with citizens and harness productivity savings by reforming business processes.

Further Victorian Government Action

- The Victorian Government will use VICTAC to consider ICT barriers, issues and enablers to support telecommuting across the public sector. The Victorian Public Sector Commission will be engaged as part of this process on the non-technical aspects of promoting telecommuting across Victoria's public sector.

RECOMMENDATION 3

That the Victorian Government encourage all employers, where relevant to their business and including local government, to establish formal telecommuting policies in recognition of the benefits to productivity. The Victorian Government should aim to:

- Quantify the benefits and economic value of telecommuting for rural and regional Victorian communities, especially as it relates to those not in the workforce such as people with a disability, young mothers, carers and older workers
- Quantify the productivity gains and future trends for working remotely in rural and regional Victoria, including quantifying these in a sector-specific manner
- Work with businesses and organisations currently promoting and using telecommuting to promote the benefits of telecommuting more broadly through the use of industry champions
- Facilitate management training to understand how best to manage remote working arrangements
- Clarify Section 20 of the *Occupational Health and Safety Act 2004* with regard to remote workplaces
- Partner with the Commonwealth Department of Communications for National Telework Week.

This recommendation is supported in principle

The Victorian Government supports this recommendation in principle and acknowledges the importance of providing information and resources to assist businesses to consider whether telecommuting can support their productivity and business objectives.

In terms of encouraging employers to establish formal telecommuting policies, as noted in the response to Recommendation 1 the Victorian Government considers that telecommuting as a flexible working arrangement has the potential to deliver significant benefits to employers and employees. Telecommuting arrangements need to be agreed at the enterprise level on a case-by-case basis with an understanding of each business's needs and circumstances.

The Victorian Government agrees with the Committee's view that the range of existing telecommuting resources (listed on pages 71-75 of the final report) available to assist employers and employees to implement telework successfully is sufficient to meet current needs. This includes guidance materials on how to set-up telecommuting arrangements, best practice human resources requirements, dealing with occupational health and safety requirements, and calculating the benefits that will accrue from telecommuting arrangements. As noted by the Committee, such information and resources are available both free of charge, for example from the Commonwealth Department of Communications' Telework website, as well as available for purchase, such as through the Telework Australia website.

As previously mentioned, in order to promote flexible working arrangements the former State Services Authority (now the Victorian Public Sector Commission) developed comprehensive resources to guide public sector agencies including the documents *Managing a dispersed team* and *Making flexible work a success*. The information in these resources is also relevant to employers outside the public sector and are publicly available.

In relation to the Committee's recommendation to quantify the benefits of telecommuting, the Victorian Government notes that the potential benefits offered by telecommuting vary widely depending on factors such as the type of work being undertaken, effectiveness of the telecommuting arrangements, and the location of employer and employee. For this reason the Government considers that the most informative way for individual businesses to decide whether telecommuting is appropriate for them and to assess the value of telecommuting for their circumstance is through calculator tools such as the one offered by the Commonwealth

	<p>Government's telework website, rather than using aggregate studies that try to quantify economy-wide or industry-wide benefits.</p> <p>Related to the recommendation to quantify benefits, the Victorian Government's Regional Policy Advisory Committee (RPAC) is investigating potential research in relation to "Jobs of the Future". This research aims to better understand the changing patterns in workforce and workplace dynamics (telecommuting being one example) and how the uptake of these changes will be important in driving long-term productivity and competitiveness improvements in regional businesses.</p> <p>As regional leaders, the members of RPAC can play an important role in building the evidence base that demonstrates the need for and benefits offered by digital communications in their regions, and in communicating such messages back into their regions.</p> <p>The Committee's recommendation to use industry champions to promote telecommuting aligns well with work undertaken by Regional Development Australia committees which have been supported by the Victorian Government through the Regional Growth Fund (RGF) to develop a range of regionally based digital strategies that include localised actions to encourage and enable telecommuting arrangements. The Government considers this work important in providing strong regional leadership to promote the value of digital communications. Support for place based actions such as these to build jobs and boost productivity across regional and rural Victoria will continue to be enabled through application to the RGF.</p> <p>With regard to the <i>Occupational Health and Safety Act 2004</i>, section 21 of this Act already sets out duties that apply to telecommuting, as it is regarded as a workplace, and therefore new legislation is not required to address this form of employment arrangement.</p> <p>The Government recognises that while telecommuting offers many potential benefits, including supporting greater workforce participation which can deliver economy-wide benefits, there are occupational health and safety risks and challenges associated with it as well. To help address this the Victorian WorkCover Authority has developed publicly-available materials to assist employers and employees understand their rights and obligations working in isolated workplaces, such as found with telecommuting, which includes the following:</p> <ul style="list-style-type: none">• <i>Workplace Amenities and Work Environment – Compliance Code</i> - this compliance code covers the provision of workplace amenities and facilities for the working
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	<p>environment in all workplaces other than construction workplaces</p> <ul style="list-style-type: none"> • <i>Officewise</i> – provides guidance on how to set up a safe office work environment. <p>Further Victorian Government Action</p> <ul style="list-style-type: none"> • Through Business Victoria Online, the Victorian Government will promote the Commonwealth’s Telework website as a best practice tool to support employers and employees to assess the benefits of teleworking and to encourage participation in National Telework Week. Links will also be provided to existing online resources that can support telecommuting, including the Victorian Public Sector Commission publications regarding flexible workforce management • Building off preliminary regional stakeholder consultation, the Victorian Government has undertaken further consultation on Victoria’s digital economy in response to this recommendation seeking input on the types of information that can support more informed decisions around digital technologies. This consultation will be used to consider the need for further Victorian Government support. • Ongoing policy work around the digital economy and regional communications infrastructure will be used to consider opportunities to further promote the potential benefits of telecommuting to Victorian employers.
<p>RECOMMENDATION 4 That the Minister for Innovation, Services and Small Business, through Business Victoria, undertake a regional industry scan to determine current uptake of ICT and e-business solutions by non-metropolitan businesses. The ‘audit’ should:</p> <ul style="list-style-type: none"> • Be based on the e-readiness index models established by the City of Wodonga and City of Whittlesea and be undertaken through regional RDA s. The results of the ‘audit’ would be used to determine the e-business education and support needs, and telecommuting management needs, of small businesses in rural and regional Victoria • Result in a web-based database of rural and regional 	<p>This recommendation is supported in principle</p> <p>The Victorian Government supports in principle the use of local research initiatives to help raise awareness of ICT applications and stimulate investment. The Government considers that the most influential way for e-readiness indexes to stimulate greater ICT adoption is through detailed analysis at the local level, such as that done by the City of Wodonga and the City of Whittlesea. These research activities are best led by local communities which have a deeper understanding of the ICT and telecommunications environment in their area and which are better placed to encourage technology adoption and build effective linkages among businesses at the local level.</p> <p>The Victorian Government supports the work of Regional Development Associations (RDAs) across Victoria to develop and implement place based strategies that improve market competition and support the uptake of ICT solutions by business. Four of the five RDAs have already developed regional communications strategies based on data and evidence collected on</p>

<p>telecommunications providers, including comparative data on service offerings; pricing; and guidance for business on securing cost-effective telecommunications solutions</p> <ul style="list-style-type: none"> • Be conducted, where possible, in collaboration with a regional university provided (after a competitive process) with funding to conduct the business survey in their region • Inform future state government action in terms of targeted e-business skills training. 	<p>the business needs in their local areas. The Victorian Government’s Regional Growth Fund provides an avenue for local communities that are interested in undertaking this kind of research to receive Victorian Government support.</p> <p>In relation to the Committee’s recommendation to establish a web-based database of regional telecommunications providers, the Victorian Government considers that such a role is best filled by the market and notes a range of websites that already perform this function to identify and compare telecommunications service offerings.</p> <p>To encourage private sector investment in regional markets, the Victorian Government will continue to publish its series of <i>Telecommunications Spend and Demand in Victoria</i> reports which provide detailed modelling on the level of expenditure and demand for digital communications across Victoria. This information helps digital communications providers to identify areas across regional Victoria where existing services are not meeting the needs of consumers to assist with their investment decisions.</p> <p>Small Business Victoria undertakes a range of activities that help small businesses to identify opportunities associated with the digital economy and e-business including telecommuting. Further information on these activities is included in the response to Recommendation 7.</p> <p><i>Further Victorian Government Action</i></p> <ul style="list-style-type: none"> • As part of ongoing work on the digital economy, the Victorian Government will undertake research on ICT and digital technology adoption among businesses to help inform future state government action • Building off preliminary regional stakeholder consultation, the Victorian Government has undertaken further consultation on Victoria’s digital economy in response to this recommendation seeking input on the types of information that can support more informed decisions around digital technologies. This consultation will be used to consider the need for further Victorian Government support.
<p>RECOMMENDATION 5 That the Victorian Government work in conjunction with the Federal Government to produce a</p>	<p>This recommendation is supported in principle The Victorian Government supports improving the awareness of telecommunications service</p>

<p>comprehensive map of connectivity across rural and regional Victoria – a ‘Telecommunications Capacity Map’. This could be developed with data provided by the Australian Competition and Consumer Commission and presented in a similar way to information from the Essential Services Commission on electricity and gas providers.</p>	<p>availability and infrastructure quality across the State.</p> <p>The Victorian Government has commissioned a series of reports titled <i>Telecommunications Spend and Demand in Victoria</i>. These reports have undertaken in depth modelling of Victoria’s telecommunications market covering a range of services including fixed-line and mobile telephony, internet services from dial-up to high-capacity broadband, and satellite and pay-tv services. This research incorporates information on the availability of telecommunications services along with an analysis of consumer characteristics within each Local Government Area of Victoria to develop both a supply and demand-side analysis of Victoria’s telecommunications market.</p> <p>This modelling identifies areas across Victoria where there is an underlying level of telecommunications demand that is not being met by existing telecommunications infrastructure and service providers. The intention is to assist investors to make more informed decisions about the areas where improving telecommunications infrastructure will generate the best return on investment. The <i>Spend and Demand</i> reports have consistently found that metropolitan areas have higher quality telecommunications services than regional and rural areas. These reports have included mapping indicating the availability of different broadband services across the state.</p> <p>In December 2013, the Commonwealth Government also released its own <i>Broadband Availability and Quality Report</i>, which provided information on the coverage of broadband services across each state and territory. This report also included mapping of broadband supply across the State.</p> <p>Further Victorian Government Action</p> <ul style="list-style-type: none"> • In response to the Committee’s recommendation the Victorian Government will seek access to the Commonwealth Government’s data on Victoria’s telecommunications supply market and will undertake an enhanced <i>Spend and Demand</i> report in 2014/15 that will include additional mapping of Victoria’s telecommunications market.
<p>RECOMMENDATION 6 That the Victorian Government develop a strategy for collaboration with rural and regional bodies to broaden community access to existing and future Victorian</p>	<p>This recommendation is supported in principle</p> <p>The Victorian Government’s approach to this recommendation has been developed through the Victorian Fibre Strategy (VFS). As noted in the Committee’s final report (page 149) the</p>

Government fibre networks with available capacity, and Commonwealth networks located in rural and regional Victoria. For example, networks associated with education, health and transport.

Government has completed construction of a new fibre optic cable link from Geelong to Warrnambool along the rail corridor and therefore through Winchelsea, Colac, and Terang. The Victorian Government released a Call for Collaboration (CfC) to the market in June 2013 enabling interested parties to utilise this new fibre link to deliver broadband services.

This VFS link has simultaneously provided for:

- Development of a competitive wholesale telecommunications market in Warrnambool and towns en route (now with three providers of backhaul capacity whereas formerly there was just one) that will broaden community access to better telecommunications
- Supported the delivery of improved telecommunications services in advance of the National Broadband Network rollout
- Improved Victorian Government access to high speed broadband (notably for South West TAFE and Deakin University)
- Extended the Government's fibre footprint across regional Victoria through the CfC delivering fibre exchanges with telecommunications providers (potentially enabling the above three general outcomes in other parts of the State).

The VFS provides for ongoing collaboration between the Victorian Government and other network providers in regional Victoria to broaden community access to improved telecommunications services overtime.

As part of the VFS, the Victorian Government has also undertaken an audit of the State's telecommunications assets held across departments and agencies. This information will enable these assets to be more effectively leveraged to improve regional communications infrastructure, for example through similar processes to the CfC undertaken for the Geelong-Warrnambool link.

In addition to the VFS the Victorian Government is working collaboratively with the Commonwealth Government to redress mobile communications black spots respectively through the Regional Connectivity Program and Mobile Coverage Programme (currently under development). The Victorian Government will look to provide telecommunications carriers with access to Government infrastructure (such as fibre optic cable and telecommunications towers) where it can usefully reduce the cost of providing mobile coverage in black spot areas.

	<p>Further, in regard to telecommuting it is important to note that (except in the case of workers utilising public teleworking centres such as proposed in Recommendation 9) an appropriate standard of residential telecommunications services is a fundamental condition for enabling telecommuting across regional and rural Victoria. In this regard the Commonwealth Government has primary responsibility for the adequacy of residential/business telecommunications services. In the long run the development of the NBN will be the most important determinant of how widespread and deeply Victorians are able to telecommute (refer Recommendation 8).</p> <p>The Victorian Government is also implementing the Victorian Government Public Wi-Fi Action Plan which will assess the feasibility of creating public WiFi networks. The Government has already announced free WiFi will be trialled in Melbourne CBD along with Bendigo and Ballarat. This work is increasing community access to communications services by leveraging State assets.</p> <p>Further Victorian Government Action</p> <ul style="list-style-type: none"> • Under continued policy work around telecommunications infrastructure the Victorian Government will investigate further actions to consolidate information on Government owned telecommunications assets such as mobile communications towers, fibre assets and spectrum, and to develop a policy to encourage efficient use of these assets to improve regional communications.
<p>RECOMMENDATION 7 That the Victorian Government continue to invest in projects that increase the digital literacy of employers and employees undertaking telecommuting in rural and regional Victoria through targeted coaching and industry-specific courses.</p>	<p>This recommendation is supported</p> <p>The Victorian Government is continuing to work to improve digital literacy of businesses across the state. As noted within the Committee’s Final Report, the Victorian Government undertakes a range of activities that currently support the development of these skills, which includes:</p> <ul style="list-style-type: none"> • \$12.8 million over two years which was provided in the State Budget 2013-2014 to support the continued delivery of services offered through business.vic.gov.au, the Government’s business development website targeting Victorian SMEs. Small Business Victoria uses this website extensively for the purposes of promoting and demonstrating the value of e-business activities and providing information to build

digital capabilities among Victorian small businesses.

- For the past two years (2011-2013), SBV has included many new seminars which can help businesses to embrace telecommuting and e-business, such as:
 - Building Your Online Strategy Workshop
 - Go online – A Start-Up Guide for Business Seminar
 - Your Business Online Workshop.
- Small Business Festival Victoria will again run in August 2014 and will offer events that support small businesses to identify and develop e-business opportunities and skills. Events will be delivered across regional Victoria, as well as online through webinars.

The public consultation in relation to Victoria's digital economy also provided an avenue for public feedback on the skills required to enable greater adoption and more effective use of digital technologies. This consultation process will help inform areas where further Victorian Government support for digital literacy may be warranted.

The Victorian Government will also use opportunities to contribute to Commonwealth Government policy development to encourage consideration of areas where further support for digital literacy is required, particularly to support the Commonwealth Government's rollout of its NBN and adoption of NBN services by SMEs.

Further Victorian Government Action

- Building off preliminary regional stakeholder consultation, the Victorian Government has undertaken further consultation on Victoria's digital economy in response to this recommendation seeking input on the types of information that can support more informed decisions around digital technologies. This consultation will be used to consider the need for further Victorian Government support
- The ICT adoption research noted in the further action under the response to **Recommendation 4** will be used to help inform future digital literacy support
- The Victorian Government will input to Commonwealth Government policy

	<p>development work on the digital economy encouraging them to support digital literacy among businesses.</p>
<p>RECOMMENDATION 8 That the Victorian Government lobby the Federal Government for better mobile connectivity and rollout of the National Broadband Network to regional Victoria as a priority, particularly regarding towns not currently included on the fixed line rollout schedule.</p>	<p>This recommendation is supported</p> <p>The Victorian Government supports this recommendation to improve mobile connectivity across rural and regional Victoria with a focus on leveraging the NBN and prioritising its rollout to these areas.</p> <p>The Victorian Government has long recognised the disparity between metropolitan and regional telecommunications services and advocated for greater Commonwealth Government support to address this issue. This advocacy has occurred through a number of public and Ministerial channels, including:</p> <ul style="list-style-type: none"> • The Victorian Government provided a submission to the <i>2011-12 Regional Telecommunications Review</i>. In this submission, the Government emphasised the telecommunications service disparities faced by rural and regional Victorians and advocated for the development of high-quality ubiquitous broadband to drive productivity gains and social improvement. • The Victorian Government recently submitted a response to the <i>National Broadband Network Cost Benefit Analysis and Review of Regulation</i>, highlighting the regional telecommunications service disparities that are affecting the productivity and competitiveness of regional businesses. • The Victorian Government has advocated consistently through Ministerial channels to both the former and current Commonwealth Government on the need to prioritise the most underserved areas of Victoria in the rollout of the NBN and for greater consideration of how the NBN rollout can be leveraged to improve mobile telecommunications infrastructure. <p>In 2013 the Commonwealth Government committed to implementing a \$100 million Mobile Coverage Programme that will provide funding to address mobile black spots across Australia. The Victorian Government provided input on the design of this funding emphasising the service disparities across regional and rural Victoria and the impact this can have on public safety during natural disasters.</p> <p>The Victorian Government also announced its new \$40 million Regional Connectivity Program</p>

	<p>(RCP) as part of the Victorian State Budget 2014-15. This funding will be used to leverage the Commonwealth’s Mobile Coverage Programme and support further improvement in regional communications infrastructure. The Victorian RCP will also be used to address poor mobile internet connectivity on key V/Line commuter routes across Victoria, enabling commuters to access telecommunications services throughout their journeys.</p> <p>The Commonwealth Government has now committed to prioritising the NBN rollout to areas across Australia that have the poorest broadband services and has directed NBN Co to factor this prioritisation into the development of its new corporate plan. The Victorian Government will continue to engage with the Commonwealth Government and NBN Co on this issue to ensure the NBN is effectively prioritised across regional and rural Victoria.</p> <p><i>Further Victorian Government Action</i></p> <ul style="list-style-type: none"> • The Victorian Government will investigate options for extending higher-quality broadband services through the NBN rollout and commercial mobile communications networks to meet the needs of customers requiring a high-capacity service, focussing on regional businesses. This will be undertaken as part of ongoing policy work on regional communications infrastructure.
<p>RECOMMENDATION 9</p> <p>That the Minister for Innovation, Services and Small Business investigate the feasibility of establishing regional coworking ‘hubs’ in Victoria and provide seed funding where local communities have demonstrated a demand for such a facility. This includes:</p> <ul style="list-style-type: none"> • Working with regional groups to gauge interest in coworking spaces • Taking up anchor tenancy to assist with establishment of regional facilities, where appropriate • Investigating the possibility of using existing infrastructure to establish coworking centres in existing facilities such as libraries or business centres • Publishing and disseminating findings from establishment of coworking centres to encourage business to take up ownership. 	<p>This recommendation is supported in principle</p> <p>The Victorian Government supports the Committee’s recommendation to investigate ways to support local communities to establish regional co-working ‘hubs’ where there is a demand for such facilities.</p> <p>Regional Development Victoria is currently undertaking research into potential co-working models and the role for the Victorian Government. This activity will consider ways to partner with the Commonwealth Government, tertiary education sector, local government and business sector to support development of this infrastructure. The findings of this work will be an input to future regional development policy and program design.</p> <p>The Victorian Government has also supported Rural Councils Victoria (RCV), through the Networked Rural Councils Program grant to undertake research and pilot projects with a focus on the creative industries. This work includes identification of opportunities for teleworking and the piloting of co-working spaces. Further information on this initiative can be found at</p>

<http://www.ruralcouncilsvictoria.org.au/home/currentprojects/2014-rural-recruitment-and-creative-industries-projects/>.

Related to the concept of regional co-working hubs, the Victorian Government, through its network of Victoria Government Business Offices, enables Victorian Government staff to work from any of its VGBO sites across Victoria. This network of offices allows regionally located staff to telecommute from a co-working environment.

Further Victorian Government Action

- The Government will consider options for supporting the establishment of hubs within ongoing policy work on regional communications infrastructure.