



REGIONAL UPDATE: ASIA PACIFIC

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Floods Threaten Broadband Rollout

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The recent floods in Australia have devastated much of Queensland and Victoria and threatened the farming and agriculture industry. It will take many years to recover. The damage bill is estimated to be over 5 billion Australian dollars. The mining industry has taken a major hit and the economic recovery after the recent recession is in danger. But one of the unexpected casualties may be the broadband rollout. That is a national 42 billion dollar investment in Australia's communication infrastructure and is expected to give a major boost to regional Australia and industry in general.

The flood threat to the broadband rollout does not come from water soaked trenches being dug to accommodate fibre-optic cable but from political pressure to divert the funds towards flood relief. The broadband project had many opponents before it was approved by parliament late last year and now the opponents are at it again. There is very little foresight in the political community when it comes to appreciating the benefits offered by having a nation that is able to communicate with each other and do business in the same way as the rest of the world.

From an HR perspective we definitely need the broadband upgrade. We still find that remote workers in some areas cannot enter a weekly timesheet online because the location where they are working is not covered by a communication link. They cannot even use a mobile phone, let alone a laptop with Internet connection. Effective people management, at the core of the HR practice, is dependent upon communication.

Whilst everyone is sympathetic to those who suffered loss during the flood we must keep the application of Government funds in perspective. The first obligation to help should come from insurance, but many insurance companies are currently trying to dodge their commitment, much like many banks did during the financial melt-down in 2008/09. The Government is now trying to bail-out insurance companies by introducing a one-off payroll tax levy to Australian workers earning more than \$50k. That proposal isn't proving popular: Australia is a country hit by drought, bushfires, floods, cyclones and the occasional earthquake. To introduce a tax levy for a natural disaster is a dangerous precedent.

Whatever happens, it is hoped the broadband rollout goes ahead as quickly as possible. Donations will take care of the flood victims: Australians are a very generous lot and look after their mates. There has already been a huge response through donations to the flood relief and there are plenty of organizations on the ground in Queensland and Victoria looking after flood victims. The rebuilding of whole towns, in some cases, will provide new jobs and stimulate the economy. The economy will not suffer as much as first thought and all the infrastructure projects are more important now than ever before to make sure economic growth continues to improve. 🌐

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