Access to essential government services, a major extra cost for rural residents

Newly released research has for the first time quantified the extra costs faced by Australia’s non-metropolitan residents in accessing essential government services, and highlighted the need to find better ways to deliver essential services in regional Australia.

The research, commissioned by the Australian Farm Institute and carried out by the National Institute of Industry and Economic Research (NIEIR), used census and other objective data to calculate the costs faced by all Australian residents in accessing essential services such as doctors, hospitals, schools, TAFE colleges and universities. These costs were then compared between metropolitan, urban and rural residents.

The research showed that:
* on average, it costs rural residents five times as much to access essential services as it does metropolitan residents;
* the biggest access cost disadvantages faced by rural residents are for hospitals, residential care services, secondary schools, TAFE colleges and universities;
* the services for which there is least access cost disadvantage for rural residents are pharmacies and Centrelink centres and agencies.

In releasing the report, Australian Farm Institute Executive Director Mick Keogh explained that the focus of the research was on developing a method to enable essential service accessibility to be compared between regions, and over time.

‘People choosing to live in rural areas understand that they face higher costs to access services, and to some extent this is offset by cheaper housing costs. However, over recent decades people living in rural communities have found it increasingly difficult to secure or retain access to essential services, because of Australia’s unique demographics which UN statistics identify as one of the most urbanised nations on earth.’ said Mick Keogh, Executive Director of the Australian Farm Institute.

‘This means that both politically and practically, the provision of essential services to non-metropolitan and especially rural residents is a major challenge.’

‘The research we are releasing today is an attempt to measure and compare the accessibility of essential services throughout Australia using objective data. This will enable service accessibility to be compared between regions, and over time, and should help to ensure that non-urban Australians achieve greater equity in the access they have to essential services that are funded from the taxes they pay.’

‘Providing equitable access to essential services for regional Australians will become increasingly important in the future as projected population growth will make major cities congested and inefficient, and greater efforts will be required to make living in regional areas a more attractive option. Good access to education and health services is a critical need in order to attract new residents to regional areas.’

‘Lack of transport infrastructure investment, and a likely increase in fuel costs as climate change policies are implemented will also reduce the accessibility of essential services in regional Australia, and necessitate more efforts by governments to improve service accessibility or to compensate rural residents for the lack of service access.’

The results can be illustrated in case study as the following, extracted from the report ‘a family with two young children, who attend preschool two days a week for forty weeks of the year. The case study assumes the children both attend preschool on the same days. Each child also requires two visits to a general practitioner and one visit to a dentist during the year. The data shows average access costs for this range of services for residents in different regions, highlighting that on average it costs rural residents $367 more to access these services than metropolitan residents, and $455 more to access these services than residents in “other urban” regions.’