

**Submission
No 8**

SKILL SHORTAGES IN NSW

Organisation: Bland Shire Council

Name: Mr Jeff Stien

Date Received: 12/06/2013



BLAND SHIRE COUNCIL
west wyalong

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12 June 2013

David Elliott MP
The Chair
Committee on Economic Development
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Mr Elliot

Thank you for the opportunity for Bland Shire Council to provide a submission to the Legislative Assembly Committees Inquiry into skills shortages in NSW, and I extend an invitation for the Committee to hold one of its public hearings in West Wyalong.

Background

The Bland Shire was proclaimed on 6 March 1906. The Bland Shire, West Wyalong is located in regional New South Wales and is centrally located to the following cities:

- Wagga Wagga – 156km
- Orange – 221km
- Dubbo – 258km
- Bathurst – 265km
- Albury – 273km
- Canberra – 276km
- Sydney – 491km
- Mildura – 550km
- Melbourne – 571km
- Adelaide – 910km
- Brisbane – 1,114km

The Bland Shire has a population of 5,865 and covers an area of 8,558 square kilometres. Towns and villages in the Bland Shire include West Wyalong, Wyalong, Barmedman, Mirrool, Naradhan, Tallimba, Kikiora, Ungarie and Weethalle.

The Bland Shire is surrounded by the Shires of Lachlan, Forbes, Weddin, Young, Temora, Coolamon, Narrandera and Carrathool.

The Gross Regional Product of the Bland Shire is \$399m, has a Low Socio Economic Index of 45% and unemployment rate of 3.19%

Some of the major employers include:

- Bland Shire Council
- Barrick Cowal Gold Mine
- Pace Farms
- GrainFlow and Grain Corp
- Royal Freemasons Benevolent Institution
- NSW Department of Education

Most common occupations include:

- Managers 30.6%
- Technicians and Trades Workers 13.4%
- Machinery Operators and Drivers 11.7%
- Labourers 11.0%
- Professionals 9.5%
- Clerical and Administrative Workers 9.2%
- Community and Personal Services 7.5%
- Sales Workers 5.6%

Occupation sectors:

- Sheep, Beef Cattle and Grain Farming 24.5%
- Metal Ore Mining 8.2%
- School Education 5.6%
- Local Government Administration 4.6%
- Road Freight Transport 2.5%

The Bland Shire's history is deeply engrained in agriculture and gold production which continues through to today. The Barrick Cowl Gold Mine commenced construction in 2004 with gold production in 2006 and in 2012, Barrick Cowal produced 268,000 ounces of gold.

The Bland Shire is one of New South Wales largest cereal-growing areas producing wheat, barley, oats, triticale, cereal rye, chickpeas, field peas, lupins, canola and sorghum.

Eucalyptus oil production started in 1907 and the West Wyalong area has become one of the major exporters of Eucalyptus oil in Australia.

The skills gaps in the Bland Shire range from Local Government, mining, agriculture, truck drivers, managers and professionals.

To benefit regional communities we should not just look at skills shortages in isolation as we also need to consider the social and community infrastructure in Regional NSW. The declining population in Regional NSW needs to be addressed. In the following table I have extracted Australian Bureau of Statistics 2001 to 2011 Census Data for Local Government areas in and around the Riverina. The Bland Shire's population has decreased from 6,439 in the 2001 census to 5,865 in the 2011 census, representing an average one percentage population decrease per year over the ten year period.

LGA	Area sq KM	2001 Census	2006 Census	2011 Census	2001-2011 Change	2001-2011 Avg Yearly Population Change	2001-2011 Avg % Yearly Population
Wakool	7,521	4,806	4,362	3,692	-1,114	-111	-3
Carrathool	18,933	3,320	2,820	2,587	-733	-73	-2.8
Balranald	21,700	2,770	2,440	2,283	-487	-49	-2.1
Hay	11,326	3,574	3,383	2,956	-618	-62	-2.1
Jerilderie	3,373	1,790	1,640	1,496	-294	-29	-2
Urana	3,356	1,332	1,260	1,159	-173	-17	-1.5
Lockhart	2,896	3,397	3,179	2,998	-399	-40	-1.3
Murrumbidgee	3,507	2,519	2,501	2,261	-258	-26	-1.1
Lachlan	14,965	7,188	6,670	6,476	-712	-71	-1.1
Narrandera	4,116	6,486	6,013	5,902	-584	-58	-1
Bland	8,560	6,439	6,102	5,865	-574	-57	-1
Deniliquin	143	7,786	7,429	7,120	-666	-67	-0.9
Forbes	4,718	9,707	9,360	9,170	-537	-54	-0.6
Tumbarumba	4,393	3,551	3,533	3,358	-193	-19	-0.6
Wentworth	26,257	6,984	6,780	6,609	-375	-38	-0.6
Lecton	1,167	11,469	11,112	11,037	-432	-43	-0.4
Temora	2,802	5,972	5,857	5,776	-196	-20	-0.3
Tumut	4,567	11,228	10,801	10,934	-294	-29	-0.3
Cowra	2,809	12,462	12,474	12,147	-315	-32	-0.3
Gundagai	2,457	3,726	3,692	3,662	-64	-6	-0.2
Weddin	3,409	3,656	3,641	3,665	9	1	0
Harden	1,869	3,574	3,581	3,584	10	1	0
Parkes	5,955	14,455	14,280	14,592	137	14	0.1
Greater Hume	5,749	N/A	9,731	9,815	84	17	0.2
Griffith	1,640	23,805	23,800	24,364	559	56	0.2
Boorowa	2,578	2,333	2,296	2,399	66	7	0.3
Cootamundra	1,524	7,132	7,313	7,334	202	20	0.3
Berrigan	2,066	7,709	7,994	8,066	357	36	0.4
Coolamon	2,431	3,911	4,026	4,099	188	19	0.5
Junee	2,030	5,585	5,779	5,878	293	29	0.5
Wagga Wagga	4,826	55,056	57,015	59,458	4,402	440	0.7
Young	2,693	11,300	11,985	12,236	936	94	0.8
Conargo	8,738	1,417	1,673	1,540	123	12	0.8
Albury City	306	42,458	46,281	47,810	5,352	535	1.1
Murray	4,344	5,907	6,417	6,957	1,050	105	1.5
Corowa	2,329	8,257	10,975	11,000	2,743	274	2.5
Yass Valley	3,998	9,708	13,135	15,020	5,312	531	3.5

Source: Australian Bureau of Statistics

Some of the areas that the NSW Government can contribute to the sustainability and growth of regional economies is by stimulating business investment and job creation by:

- Working with the Federal Government to fast track the roll out of the National Broadband Network to the Riverina and the Bland Shire will create opportunities and help sustain existing businesses in the Bland Shire and Regional New South Wales;
- The State Government also has to make it easier and allow for Crown Lands to be acquired for economic development projects in Regional NSW at realistic values;
- As infrastructure is extremely important for Councils to attract investment and for businesses to set up and expand in Regional NSW, one way for the Government to assist is to establish an infrastructure fund to offset the large upfront costs that may be incurred by the Councils and businesses to attract investment in Regional NSW;
- Reinstatement of Trade & Investment NSW Regional Business Development assistance program or the roll out of a better assistance program;
- Improving the road and rail freight corridors and logistics efficiency, means lower manufacturing costs, less congestion on our roads, lower carbon emissions, fewer serious accidents, less local air and noise pollution;
- With the uptake of mobile technologies, mobile phone and internet coverage in Regional NSW must be expanded and improved so the new digital audio platforms and applications can operate in Regional NSW and the Bland Shire. Digital technologies are changing the way businesses and tourism (information) is delivered and accessed. Businesses and tourism operators can now engage directly with consumers at different points of the planning through mobile devices;
- Improving the branding and marketing of Regional NSW to intra, interstate and international markets using existing and adopting new social marketing technologies and opportunities;
- Support the development and marketing of Regional NSW Conferencing Facilities so that higher yielding Business Events and Conferences are able to be held in Regional NSW;
- Introduction of tax based incentives on all State Government taxes and charges to encourage industries and businesses to relocate and expand in regional NSW;
- Further reduction in payroll taxes;
- Stamp duty reduction and concessions for Regional industrial, commercial and residential activities;

Current NSW Government Programs

The Regional Relocation Grant program

Bland Shire Council is aware that one resident has taken advantage of the Regional Relocation (Home Buyers Grant) to relocate to the Bland Shire.

To the end of January 2013, there had been 1,711 Regional Relocation Grants provided across NSW. The majority of people are relocating under the scheme to the Hunter region, followed by the Illawarra and the Mid North Coast.

A breakdown of the uptake of the Relocation Grant in the Riverina by LGA includes:

- 16 in Wagga Wagga
- 10 in Cootamundra
- 3 in Junee
- 3 in Temora
- 2 in Coolamon
- 2 in Griffith
- 2 in Leeton
- 1 in Bland
- 1 in Gundagai
- 1 in Murrumbidgee

The Regional Relocation Grant, whilst a positive initiative, Bland Shire Council feels that that the \$7,000 is inadequate by the time they pay the stamp duty, sales commission, relocation fees and the reconnection of the utilities to their new regional home. The NSW Government should consider providing fewer grants to relocate to the coastal areas and set at a higher amount for regional areas. The Regional Relocation Grant does not create employment or rarely stimulates job creation opportunities.

Bland Shire Council would also like to see Evocities expanded or broadened to include smaller regional centres and the State Government undertake a regional marketing campaign initiative which could assist the smaller regional centres.

Payroll Tax Rebate Scheme - Jobs Action Plan

To the end of January, there had been 16,075 new positions registered under the Jobs Action Plan. 3,456 of these were registered in regional areas as defined by the legislation for the scheme.

While the aim of providing payroll tax rebates to businesses that increase their full-time equivalent employment numbers, the majority of businesses in regional communities are small-scale family run enterprises that operate on tight budgets and with a small number of staff.

The feedback that we have received is that the previous Regional Business Development Scheme offered greater flexibility than the current Payroll Tax Rebate Scheme – Jobs Action Plan for employers in the manufacturing sector.

Bland Shire Council would also like to see an incentive program that is offered to the landlocked metropolitan businesses to relocate to regional NSW.

Restart NSW

Bland Shire Council understands that the NSW Government intends that 30% of Restart NSW funds will be allocated to infrastructure projects in regional and rural areas. Under the Resources for Regions Policy, up to 3% will be allocated to mining-affected communities.

Bland Shire Council understands that following recommendations by Infrastructure NSW, around \$10 million has been allocated in the 2012-13 NSW State Budget for the following infrastructure projects in mining affected communities in regional and rural NSW:

- Muswellbrook Hospital Emergency Department Upgrade. Application by Hunter New England Local Health District Restart NSW funding allocated in 2012-13: \$4 million
- Herbert Street Bridge Replacement, Broke. Application by Singleton Council Restart NSW funding allocated in 2012-13: \$1.9 million
- Bridgeman Road - New England Highway Intersection Upgrade. Application by Singleton Council. Restart NSW funding allocated in 2012-13: \$2 million
- Pioneer Road Extension, Hunterview. Application by Singleton Council Funding allocated in 2012-13: \$2 million

Bland Shire Council would like to see increased spending on infrastructure in the region including the provision of good road and rail connections, an adequate and reliable supply of electricity and water for communities and industries and high speed internet connections that will foster business development by providing the capacity for the expansion of existing businesses and services and the attraction of new or relocation businesses.

Resources for the Regions

Whilst Bland Shire Council supports the Resources for the Regions – Bridges for the Bush program, there are not projects in the Bland Shire. Our comments relate to the approved Kapooka Bridge project which is located on the Olympic Way, south of Wagga Wagga. Bland Shire Councils concern is with the expected increase in traffic movements north of Wagga Wagga on the Olympic Way, then on to the Goldfields Way through Temora then joining the Newell Highway at Wyalong. As a result of the increased traffic, extra funding needs to be allocated to establishment of overtaking lanes and more maintenance funding allocated to the Olympic and Goldfield Ways.

As mentioned earlier the Bland Shire has the Barrick Cowl gold mine in the Shire with construction commencing in 2004 and operations in 2006. Bland Shire Council are extremely disappointed that the definition of 'Mining Affected' has been redefined shifting Bland Shire from a Tier 2 LGA to a Tier 3 LGA and Bland Shire is not included in 2013-14 Resources for the Regions program.

Government agency relocations

Whilst it is great to see that some Government agency relocations have occurred, more agencies should be relocated. Bland Shire Council would also like to note that the relocations have tended to be to the larger regional centres, and by relocating the positions to smaller regional centres would create a greater economic benefits and secondary and multiplier benefits. Bland Shire Council would welcome the relocation of a Government agency, Government positions or public sector functions from metropolitan locations to the Bland Shire. Bland Shire Council are also concerned of the scaling back of or relocating Government positions from smaller regional centres to larger regional centres with one example being Trade & Investment.

Once again I thank you for the opportunity to present this submission and Bland Shire Council looks forward to progressing the key issues raised in partnership with NSW Government.

Yours sincerely,


Jeff Stien