

**Submission
No 9**

**SUPPORT FOR DROUGHT AFFECTED COMMUNITIES IN NEW SOUTH
WALES**

Organisation: New England Joint Organisation

Date Received: 23 October 2019



The Hon Justin Clancy MP
Chair
Committee on Investment, Industry and Regional Development
Parliament House
Macquarie Street
Sydney NSW 2000

Wednesday, 23 October 2019

Dear Mr Clancy,

Re: Inquiry into support for drought affected communities in NSW

Thank you for your email to the New England Joint Organisation seeking a submission in relation to the impacts of drought on regional NSW and potential government action with particular reference to regional businesses, economies and communities.

The New England Joint Organisation, covers the LGAs of Armidale, Uralla, Narrabri, Moree, Tenterfield, Inverell and Glen Innes Severn Councils. The population of the JO is over 100,000 and a large number of this community is affected by drought.

Please see responses below to the terms of reference:

(a) Population loss and loss of key trades, skills and businesses, and community services such as schools and medical services;

- Anecdotal evidence suggests that there has been some movement of the population from within the New England, in order to find long term, stable employment.
- Some of the smaller towns within the New England are experiencing shortages of trades, however this has been a long term concern and not a result of the drought.

Suggested solutions:

- Provide training and mentoring on business diversification opportunities to assist small business to diversify their business operations.
- Provide training or funding to assist small business with website development to allow small business to expand their products into wider markets.
- Provide additional initiatives to streamline skills attainment for displaced workers and landholders, many of whom are highly skilled but require a formal qualification or ticket to gain off-farm employment in their local communities.
- Fast track government infrastructure projects within the New England that are currently in the design phase. Use local people to upskill and train them on these projects.

- Match jobs that can not be filled (e.g. shortage of police officers and bore workers) to those seeking employment.

(b) Business debt finance and responses of financial companies to the impact of drought;

Suggested solutions:

- Lobby banks to re-weight debt to equity requirements for rural businesses.
- Lobby banks to commit to pass on to rural farmers and rural businesses the complete cash rate reduction, even if they do not pass this on to the rest of the community.

(c) Direct and indirect impacts of drought on businesses and industries;

- Reduced revenue and income for farmers and small business.
- Increased mental health issues resulting in increased sick leave and reduced productivity.
- Business closure.
- Unemployment.
- Employees commuting to work.

Suggested solutions:

- Coordinate a capital city media campaign or revamp the 'Buy from the bush' initiative, to host and promote small rural businesses as a means of supporting sales and expanding markets in the lead up to Christmas.
- Those businesses providing location-based services might be able to be bundled into a tourism/ destination package or supported by having a donation made through a charity organisation to 'pay-forward' a service as a gift, such as a haircut, to those in need.
- Increased promotion of mental health services.
- Create a families stimulus package – cash for families to have a break, go on a holiday, get a farm sitter.
- Additional childcare rebates for drought affected areas to allow parents to undertake additional work in order to cover increased costs.
- City based businesses encouraged to allow staff to volunteer in drought affected areas.

(d) Transition and recovery from drought when drought conditions begin to improve;

Suggested solutions:

- For those towns with secure town water supplies, promote and develop tourism opportunities and the many amazing natural attractions to those in Australian cities. Encourage the city communities to travel to the country on their next holiday to support their fellow Australian citizens.
- Coordinate weekend volunteer activities or "working parties".

(e) Preparedness for future drought events;

Suggested solutions:

- Provide more water storage construction in the areas that need it most (Tenterfield and Armidale LGAs).
- Increased funding to investigate water re-use projects and stormwater harvesting.
- Research and provide incentives to industries that use little water and encourage them to move to regional or rural areas.
- Research and provide incentives to industries that are able to recycle water for business use and encourage them to move to regional or rural areas.

(f) Assessment of current Government programs;

- There is a lot of support for farmers affected by drought, however there are many families, and communities who are slipping through the cracks.
- The Department of Human Services reported that farm household assistance is made available to eligible producers for a four-year period and that there are several families in the region who would no longer be eligible for this assistance, as this time period had expired. While some producers may be able to access an aged pension, many had no other avenue for farm household support. The NSW Drought Coordinator highlighted that this was not an isolated issue, potentially impacting many hundreds of families across the state.
- There are some exceptional efforts of staff servicing drought affected communities. However many front-line staff are showing signs of fatigue and this is likely to affect the capacity of agencies to service the continued growth in demand for services and assistance.

Suggested solutions:

- The formation of a specialist “relief support team” from relevant agencies to relieve staff in key locations for a period of time. This will provide a continuity of service and a necessary break to manage fatigue and staff burn out.
- Extend the farm household assistance, from four years to six years or provide an alternate form of assistance.
- Increased promotion of current government programs available to the community.

(g) Temporary relief from state taxes, charges and levies for drought affected businesses;

Suggested solutions:

- Reduction in rural and remote small business taxes (BAS reduction).
- Provide a tax break for workers living in rural and regional drought affected areas so that they have more “cash in their pockets” to deal with increased costs and maintenance of basic items such as haircut, clothing, repairs, gym membership, childcare and car servicing.

(h) Capacity and coordination of town water supplies and further recycling opportunities; and

- Dwindling water resources across the New England North West Region and extremely dry vegetation have combined to heighten the risks of the pending fire season. The shortage of water available in the landscape, in dams and tanks would present serious difficulties to fire-fighting efforts and this may require the use of additional physical resources to implement containment strategies. The water taken from dams or bores that supply livestock enterprises is a particular concern, as this might also result in a potential animal welfare issue and adversely impact producer livelihoods.

Suggested solution:

- Additional promotion of fire safety messaging. Innovative fire fighting strategies, which minimise water usage.

(i) Any other related matter.

- Families are being separated as parents travel to find work.
- Children are skipping school to assist parents with farm work.
- Children are missing out on school excursions because of monetary constraints.

Thank you for consulting with the New England Joint Organisation. Should you have any questions, please contact the NEJO Executive Officer Brooke Southwell, on [REDACTED] or email

[REDACTED]

Kind Regards,

[REDACTED]

Mr Michael Pearce

Chair