

**Submission
No 27**

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

Organisation: Gunnedah Shire Council

Date Received: 28 November 2019



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

Thursday 28 November 2019

Dear Mr Clancy

Re: Inquiry into support for drought affected communities in NSW

Thank you for the opportunity to put forward a submission in relation to the impacts of drought on Regional NSW.

This submission from Gunnedah Shire Council is to be read in addition to the submission put forward by Namoi Unlimited (Namoi Joint Organisation of Councils) of which Gunnedah Shire Council is a member.

The Community of Gunnedah Shire finds itself enduring the worst drought on record, with much of the Shire feeling the seriously damaging impacts across many sectors. Whilst Gunnedah Shire is fortunate to have some of its towns and villages supported by a secure ground water supply, and the advantages of mining alleviating the impacts of the drought for some, there are many of our fellow community members who are suffering greatly.

Council recognises that it is not just those engaged in primary industry business, namely agriculture, that are suffering at present; but also the secondary industry business which supports agriculture and tertiary industry business that are also feeling the brunt of the resultant economic constraints. Council is also mindful of the social and health impacts of the current circumstances affecting not just Gunnedah but many other NSW rural and regional towns and cities.

A recent survey undertaken by Council of local businesses revealed the following statistics:

- 100% of respondents answered 'Yes' when asked if business has been impacted by the drought.
- 90% of respondents noted a decrease in profit in the last financial year.
- 70% of respondents have had to reduce staffing levels as a result of drought conditions.
- 76% responded that they were 'very concerned' about how the drought will affect their business in the long term with a further 20% responding that they were 'concerned'.

In order to prevent population loss during the drought downturn and the loss of key trades, business and community services an expansionary fiscal response to stimulate the economy is required from all three tiers of Government. The Federal Drought Communities Programme is a good example of an economic stimulus package that has an enduring benefit to local communities. Following the success of this program, Gunnedah Shire Council has since resolved to spend a further \$1.2 million dollars on a Community Resilience program to stimulate the economy, provide employment opportunities and

build resilience to future shock events. The Federal Government has also since committed to a further round of the Drought Communities Program and Gunnedah Shire Council calls on the State Government to also match this funding, providing a total of \$3.2 million dollars.

In addition to the direct fiscal stimulus, the State Government could provide further support to the Shire by fast tracking the commencement of recent election commitments. The most notable of these being a commitment to build a new Gunnedah Hospital valued at over \$50million. If care is taken to support local business in delivering those works, it would provide a valuable economic boost at a very important time, even if the drought was to break before commencement of construction, the stimulus would still support the recovery period which is a vulnerable time for many communities.

There are a range of State government departments and agencies that work within the Gunnedah Shire. Further stimulus could be provided by undertaking an expansionary employment program within these organisations, offering both permanent and temporary state government positions in the regions as a priority. This employment could be supported by bringing forward capital works and prioritising rural works programs temporarily over city programs. This could include capital works on local schools, TAFE, Department of Primary Industry facilities, Crown Lands etc.

The State also has control of a number of crown reserves, traveling stock routes and forests. These large tracts of land are in many cases in much need of care and the type of work that needs to be done on these properties is complimentary to the skill set of the agricultural workforce. Projects could include tasks such as planting and lopping trees, fixing dams and irrigation systems, fencing, weed control, feral animal control and remediating areas affected by illegal dumping. These projects would have a lasting positive environmental impact and if a temporary workforce was sought locally, this would support people who are currently underemployed due to the drought.

The Shire also has a number of large mining developments that have been in the planning phase for a considerable amount of time. Whilst Council wishes to ensure that an appropriate and rigorous assessment process is undertaken before any determination is provided on the applications, further resourcing of this assessment process so that a decision can occur as expediently and efficiently as possible would be welcomed. This would allow the economic benefits that may ultimately be realised from these mining projects to be realised earlier, at a time when the economic boost would make the greatest local impact.

Lastly, the coverage of the drought in the media has been unnecessarily sensational and has left the impression on many in the city that now is not a good time to visit rural communities. A media campaign encouraging people to visit and support Rural NSW at this time and spend money in rural communities would be welcome.

Yours faithfully



Eric Groth
GENERAL MANAGER

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