

**Submission
No 55**

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

Organisation: Wollondilly Shire Council

Date Received: 29 November 2019

Our Reference: 11808#27

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

29 November 2019

To The Hon Justin Clancy MP,

SUBMISSION: INQUIRY INTO SUPPORT FOR DROUGHT AFFECTED COMMUNITIES IN NSW

Thank you for the opportunity to make a submission to the Inquiry into Support for Drought Affected Communities in NSW.

The Wollondilly Local Government Area (LGA) covers approximately 2,560 km² of land with two thirds of this being national parks and water catchment areas including parts of the Greater Blue Mountains World Heritage Area. These protected lands are spectacular natural areas with enormous environmental and heritage value. In addition to these protected lands, Wollondilly is a patchwork of agriculture, rural landscapes, scenic bushland and separate towns and villages. We are proudly 'rural'. The community values this identity, character and the unique lifestyle opportunities of being in a rural setting within close proximity of Sydney. In this context, we are on the periphery of the city, referred to as being 'peri-urban'. Peri-urban lands typically comprise a mix of urban and rural residential areas with productive agricultural lands, biodiversity areas and diverse topographies.

Wollondilly Agriculture Industry

Wollondilly's total industry output in 2017-2018 was valued at \$3.984 billion compared to \$3.383 billion in 2012-2013. This represents a growth of \$600.2 million or 17.7%. For the same period, Agriculture, Forestry and Fishing represented \$132.6 million or 3.3% of total industry output. The figure for agriculture, forestry and fishing in 2017-2018 is down from \$176.1 million in 2012-2013, equivalent to a 24.7% fall in five years. This reduction is not entirely attributed to the drought however it is acknowledged that the drought has had an impact on this valuable industry sector. Further analysis on the agriculture, forestry and fishing industry sector is included in Attachment 1.

Agricultural production in Wollondilly includes poultry (turkey, chicken and duck meat as well as egg production); nurseries and cut flowers; fruit (apples, pears, cherries, peaches and citrus fruits); vegetables; crops for hay and livestock (beef and dairy cattle, deer, goats, horses, pigs and alpacas). In terms of poultry, in 2018, Wollondilly was ranked:

- No. 2 in Sydney, No. 3 in NSW and No. 8 in Australia for Chicken Meat Production
- No. 2 in Sydney and NSW and No. 3 in Australia for Duck Meat Production
- No. 4 in Sydney, No. 10 in NSW and No. 19 in Australia for Egg Production

Wollondilly Farmer Liaison Officer & “Dilly Drought Drive” (DDD)

Recognising that Wollondilly farmers were doing it tough as the drought took hold across NSW, Council committed to doing everything that it could to help local farmers during the drought. With this in mind, Council established a Farmer Liaison Officer position within our Customer Service Department. Michelle Close, our Farmer Liaison Officer is a “one stop shop” point of contact for farmers when they have business with Council or need assistance. The Farmer Liaison Officer provides support and advocacy for farmers, assists with enquiries on Council’s Hardship Policy and acts as a conduit for information from relevant support services as well as government agencies.

The Farmer Liaison Officer also coordinates a number of council and community support initiatives / services such as the “Miners for Farmers” initiative. When the local coal mine closed for 3 weeks in late 2018, the Farmer Liaison Officer coordinated the workforce of miners supplying free labour to local farms. A number of other businesses also supported this initiative with the provision of free equipment (e.g. excavator) and other services. Over the last year or so, the Farmer Liaison Officer has also coordinated community donations of food and other grocery items etc – “Hampers for our Farmers” for local farmers in conjunction with the Dilly Drought Drive. The Farmer Liaison Officer has a key role in working with the Dilly Drought Drive (DDD) to provide much needed support for farmers.

The “Dilly Drought Drive” (DDD) is managed by local volunteers who are in direct and daily contact with many of our farmers. The DDD is auspiced through Rural Aid, so donations go directly to the charity who purchase and arrange delivery of feed and water to the farms for stock. As mentioned above, the DDD also coordinate various fundraising events in the community including the “Hampers for our Farmers” Drive (throughout the Wollondilly and Macarthur regions) to provide non-perishable foods, toiletries etc for the farmers. They are helping put food on their tables. The DDD have raised in excess of \$700,000 in funds and goods (e.g. food) since February 2018 in support of local farmers.

The following additional comments (including comments from the community) are provided for the inquiry into support for drought affected communities in NSW:

- Wollondilly Shire Council acknowledges that the current drought is one of the worst ever experienced and is impacting New South Wales, with some regions affected more so than others.
- Wollondilly Shire Council strongly advocates that our community be considered for drought funding. It seems that because Wollondilly is close to Sydney (Peri-Urban), we are often overlooked. There needs to be a focus on funds to support local business activity and village economies. Infrastructure grants are just as important in areas like Wollondilly in times of drought particularly with our agricultural industry base.
- Comment that farmers are too busy hand feeding stock, doing farm chores and undertaking activities to mitigate bushfire threats and don’t have the time to make specific comment to the inquiry. It was suggested that all levels of government should take time to visit farmers to talk and see first-hand how the drought is impacting them and the agricultural industry.
- The Dilly Drought Drive is currently working with many farmers in the area who rely solely on their farming activities to generate income. Dilly Drought Drive resources are stretched as more and more farmers are requesting assistance.
- Many farmers, have destocked to the point where they can do no more. Many are facing the looming prospect of having to shoot their stock, as opposed to watching them starve to death. Comment that in some cases, de-stocking / loss of “stock blood line” will have a significant long-term effect on farming businesses.

- Farmers have no funds for feed and water - they rely solely on the Dilly Drought Drive who are being contacted by more and more farmers as time goes on - so feed is being spread thinner to ensure fair and equal distribution.
- Farmers have no funds to pay for machinery / equipment repairs which means more manual labour / time.
- The negative flow-on-effect to retail and service-based businesses is becoming more evident as disposable income within the community is significantly reduced.
- Should drought conditions continue, there will be a negative flow-on effect on local employment particularly in retail and other businesses that support the agricultural sector.
- To assist in helping farmers to diversify income opportunities, Wollondilly Shire Council is one of three NSW councils working with the NSW Small Business Commission on the Agritourism Business Development Program (ABDP) Pilot. This program assists farmers to develop a business income opportunity in Farm Stays, Farm Retail, Farm Tours, Farm Events and Farm Stalls. The NSW Government should continue working with councils on amending planning rules and regulations to make it easier for farmers to diversify into agritourism.
- Comment that some government support services are hard to obtain and / or the process is too cumbersome / time consuming that some farmers give up on applying for support.
- Comment that because of where the farms are located and the so called value of their properties, farmers have been asset tested out of receiving any assistance, before they even add on any assets on their properties, but they can't do anything with their properties, so they cannot receive assistance (e.g. household allowance) to help out.
- Comment that some farmers are not eligible for assistance from the Salvation Army (Salvos) or St Vincent de Paul Society (Vinnies), as they do not recognise the Wollondilly area as "rural enough" or "in drought enough" even though we have been officially in intense drought for 2108-2019 then back to "drought" status (after a little rainfall in the neighbouring Illawarra region) and now heading back into intense drought (according to the DPI website).
- The adverse impact on mental health is recognised by all levels of government and the community. Resourcing of mental health and financial counselling support services should continue to be a priority for all levels of government and the community.
- Comment that coordination between State and Federal Government could be improved to make it easier / quicker for farmers to apply for and receive drought support. For example, could departments / agencies such as the ATO and Service NSW's Business Concierge Service work together to make it easier for farmers to apply for and receive support?

Council applauds the NSW Government for conducting this inquiry. The impacts of this drought will have far-reaching and long-term effects on NSW. It is hoped that all levels of government can continue to work together to minimise the current and future impacts of the drought on farmers and the valuable agricultural industry sector. Please contact Council's Manager – Tourism & Business Investment, Mr Kevin Abey, on [REDACTED] or via e-mail [REDACTED] for any enquiries regarding this submission.


Yours faithfully

Ben Taylor
Chief Executive Officer

ATTACHMENT 1

Industry Sector Analysis - Agriculture, Forestry & Fishing - Wollondilly Shire							
Year	2017/18			2012/13			Change
Economic Measure	Wollondilly Shire	New South Wales	Wollondilly Shire as a % of NSW	Wollondilly Shire	New South Wales	Wollondilly Shire as a % of NSW	2012/13 to 2017/18
Employment (total)	671	86,262	0.8%	651	79,976	0.8%	+20
Employment (FTE)	540	82,074	0.7%	638	88,029	0.7%	-97
FTE to total employment ratio	0.81	0.95		0.98	1.10		-0.17
Output/Total Sales (\$m)	\$133	\$19,033	0.7%	\$176	\$21,699	0.8%	-\$43.53
Value add (\$m)	\$60	\$8,391	0.7%	\$80	\$9,623	0.8%	-\$20.88
Exports (\$m)	\$34	\$10,481	0.3%	\$57	\$12,357	0.5%	-\$23.41
Exports (domestic) (\$m)	\$30	\$7,717	0.4%	\$50	\$8,733	0.6%	-\$19.39
Exports (international) (\$m)	\$4	\$2,764	0.1%	\$8	\$3,625	0.2%	-\$4.03
Imports(\$m)	\$21	\$11,742	0.2%	\$24	\$10,939	0.2%	-\$3.21
Imports (domestic) (\$m)	\$17	\$11,012	0.2%	\$20	\$10,280	0.2%	-\$2.74
Imports (international) (\$m)	\$3	\$731	0.5%	\$4	\$659	0.6%	-\$0.47
Local Sales (\$m)	\$99	\$8,552	1.2%	\$119	\$9,341	1.3%	-\$20.12
Worker productivity (\$ per worker)	\$88,726	\$97,274		\$123,505	\$120,329		-\$34,778

Source: National Institute of Economic and Industry Research (NIEIR) ©2018. Compiled and presented in economy.id by .id , the population experts.
<https://home.id.com.au>



Industry sector profiles reveal the way in which each industry contributes to the economy in Wollondilly Shire using ten economic measures generated by NIEIR economic modelling. This helps in understanding the role each industry sector plays in the economy