

**Submission
No 75**

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

Organisation: Put Orange First

Date Received: 2 March 2020

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Support for Drought Affected Communities in NSW

Submission

On 3rd December 2019 the Legislative Assembly Committee on Investment, Industry and Regional Development visited Orange and met with business members of Put Orange First, and the President of the Orange Business Chamber to discuss support for drought affected communities in NSW.

The Terms of Reference for the Committee are:

The Committee on Investment, Industry and Regional Development inquires into and reports on impacts of the drought in regional NSW and identifies potential government action with particular reference to regional businesses, economies and communities including:

- a) Population loss and loss of key trades, skills and businesses, and community services such as schools and medical services;
- b) Business debt finance and responses of financial companies to the impact of the drought;
- c) Direct and indirect impacts of drought on businesses and industries;
- d) Transition and recovery from drought when drought conditions begin to improve;
- e) Preparedness for future drought events;
- f) Assessment of current Government programs;
- g) Temporary relief from State taxes, charges and levies for drought affected businesses;
- h) Capacity and coordination of town water supplies and further recycling opportunities;
- i) Particular impacts on Indigenous communities, and
- j) Any other related matter.

Participants in the meeting raised a number of issues with the Committee. The drought has led to a downturn in retail in Orange with knock on effects in education and other services. Community groups are finding it difficult to find volunteers because everyone is doing it so tough, and is having to pay volunteers \$25 an hour. Farmers are selling their farms and moving into town.

Amanda Spalding raised the issue of recovery from the drought. In Hay Shire in the Western Riverina there were many suicides in the aftermath of the Millennium drought when assistance stopped but more was needed for rebuilding.

Concerns were expressed for the grape harvest as the drought will cause smaller yields and bushfire smoke may destroy the harvest completely. It does appear at the end of February that a large proportion of the grape harvest of the Orange Region has been ruined by smoke and will be unusable.

Bob Holland talked about the difficulties small business owners face when they do not want to let staff go and cannot reduce their wages, so the owners pay themselves less and less. He would like the government to listen and implement policies that encourage growth and entrepreneurial flair.

The Committee asked for examples of future proofing and other types of assistance that would help the business community.



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Bricks and mortar retail is finding it difficult facing online competition as well as reduced demand as a result of the drought. An empty CBD will not attract visitors, so help is needed for retailers through lower rents and rates, funding and education about selling online as well as in store.

Orange City Council is renewing its Purchasing Policy to assist local businesses and it would be good to see State Government procurement also buying local. There is a 6 times multiplier to the local economy from keeping spending local.

Rob Drage raised the issue of youth unemployment. He has seen productivity bootcamps be successful where young people acquire on-the-job skills under the supervision of a qualified mentor/trainer. Evidence points to a large number continuing on to Trades school and further education.

Daniel McGregor talked about superannuation funds investing in local areas and the concept of having regional superannuation funds to be raised and invested locally. The issue of superannuation being collected and spent regionally was addressed by Denis Mead in 2016/17 with the Hon. Andrew Gee MP and the Treasurer the Hon. Scott Morrison MP. The employment opportunities generated in the administration of superannuation funds do not often reach regional Australians. If there were regionally based superannuation funds to which regionally based contributors could direct their super contributions then regional superannuation contributors would be more likely to benefit from the investment of what is essentially their own money.

There are already many opportunities for secure investments around regional Australia and regionally based superannuation funds would generate local employment both by the allocation of loan funds and the administration of the funds themselves. There are already regional financial institutions such as credit unions and building societies that could be quite capable of superannuation funds management in their own regional areas.

Jack Evans proposed that regional payroll tax could be lower than in capital cities. There were other ideas about transport subsidies, and lower energy costs for businesses in the regions.

Rob Campbell suggested that more businesses would survive and thrive with better strategic planning and the government could provide funding to small and medium businesses to employ consultants to help them with strategic action planning. Rob Campbell has lodged a separate submission through our local State Member, Phil Donato.

LiveBetter was unable to be represented at the meeting but subsequently sent the following points for submission to the Committee:

Regional areas of Australia face the convergent challenges of an aging population, sparse population distribution, a low supply of appropriately trained and experienced aged care workers, and the ever-present tyranny of distance.

Despite having well qualified and experience trainers, clinicians, and adult education administrators, we are unable to train our own staff to a nationally accredited competency standard without engaging the services of expensive external training providers. Assistance in enabling us to train our own staff (from the untapped potential which exists in school-leavers, older Australians, and the migrant population) would be of enormous boost to the supply of aged care workers in regional Australia.



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Staff turnover is a significant issue at LiveBetter and across the sector. Our own research suggests that staff selection and retention activities are central to workforce stability. However, in many instances this is difficult. Pay in the sector is consistently identified as a factor that limits the supply of experienced and qualified staff.

In this regard, LiveBetter would benefit from an ability to focus on the supply side of service provision; however, the current wage rates and the delivery of other supply side motivations are challenging.

An issue that has arisen recently is the definition of a drought affected community. It appears that Orange is not eligible for Federal assistance for drought affected communities because it is 'too urban'. We would like that definition to be changed so that a regional city that is the urban centre for surrounding farming areas can benefit from funding as otherwise its decline will be fast and recovery slow if at all.

Business People of Orange at the meeting

Ash Brown, One Agency Real Estate Agents – President of Orange Business Chamber

Rob Campbell B.Comm; F.C.A. Worrells

Put Orange First Members

Amanda Spalding B.A. (Hons), F.C.A. – Amanda Spalding Consulting – Former Hay Shire Council General Manager

Daniel McGregor – Wealth Train

Bob Holland – Proprietor and Editor Orange City Life

Darryl Curran -Ecoscape

Rob Drage – Rob Drage Consulting and Games and More

Jack Evans – Jack Evans Workwear

Richard Hattersley – Businessman.

Amanda Spalding

29th February 2020

