

**Submission
No 29**

**INQUIRY INTO ECONOMIC AND SOCIAL DEVELOPMENT
IN CENTRAL WESTERN NEW SOUTH WALES**

Organisation: Oberon Council

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Standing Committee on State Development

Inquiry into Economic and Social Development in Central Western New South Wales

From Oberon Council – August 24 2011

Thank you for providing this opportunity to plan for the communities of Central NSW. Our Council look forward to working with the State and the greater Central West to deliver a better future for our communities.

Submission authorised by the Mayor and General Manager of Oberon Council.

Contact details:

Leanne Mash

General Manager

Oberon Council

PO Box 84 Oberon NSW 2787

Contents	Page
Oberon Local Government Area	3
Response to Criteria	4
The provision of health, education and cultural facilities.....	5
Health	5
Cultural and Recreational Facilities	6
The adequacy of transport and road infrastructure.....	7
The comparative level of government business activity located within the region.....	8
Any other factor restricting economic and social development in central western NSW State Forests.....	8
National Parks.....	9
Tourism.....	9
Water Resource Security	10
Other Matters	11

Oberon Local Government Area

Oberon was proclaimed a village in 1863 and has grown to a Local Government Area (LGA) population of 5,031 (ABS, 2006). Oberon is located in the Central Tablelands on a plateau with elevations from 700 to 1,300 metres.

The majority of the population live in the Oberon Township with 3,498 people living within the town. The area also comprises a number of villages, being Black Springs, Burruga, and Mount David and rural localities, being Edith and O'Connell.

The LGA covers 3,626 km² and borders the City of Lithgow to the north-east, Blue Mountains to the east, Wollondilly to the south-east, Goulburn/Mulwaree and Upper Lachlan to the south and Bathurst Regional to the north-west.

The Indigenous tribes of the Daruk and Wiradjuri were amongst the original inhabitants of the O'Connell, Bathurst and Macquarie Plains areas whilst further to the south and east were the Gundangarra tribes.

Outside the urban areas the main land uses are agriculture, National Parks and State Forests. Approximately 63% of the LGA consist of National Parks (356,396ha) and State Forests (64,668ha). The NSW Department of Primary Industries has identified significant mineral and extractive resources within the Oberon LGA.

Previous reports undertaken by WRI have shown that the Oberon LGA plays a significant role in the Central Tablelands and NSW economies (WRI, 2006). The LGA has Gross Regional Products (GRP) of some \$243 million per annum, concentrated in wood product manufacturing (46%), primary production contributed 12% GRP, commercial activity 37% and industry 52%.

Both commercial and industrial activity can be expected to grow to 2021 with increases of 23% and 12% respectively.

The Oberon LGA does not perceive itself as an adjunct to a major centre, but as a community with the ability and desire to maintain its sense of self and independence. There

is a distinct dynamic to Oberon, different from the major centres and one that Council seeks to maintain as per the direction set by the community.

With a State significant industry, supporting commercial activity, low unemployment and renewable resources Oberon sees itself as a community well positioned to meet the challenges of sustainability now and into the future.

Due to this apparent good fortune, planning and management with regards these facts there has been a tendency for Oberon to be marginalised and disadvantaged through traditional State and Federal funding support programs. Oberon is neither a major centre nor a rural area in decline and therefore does not necessarily 'tick the boxes' to qualify for ready support from government. This position of being overlooked should be addressed as our community has expectations that given the notion of fairness and equity for all communities that Oberon should receive adequate support in the areas we are either under developed in or show further potential in.

This submission is an attempt to highlight those areas of need for the communities of Oberon. As such not all criteria are addressed, only those of specific importance to the Oberon LGA are commented on.

Response to Criteria

Council only intend to respond to the Criteria of concern to them at this point in time. Responses have been kept brief and to the point. Further information can be supplied at the request of the Committee.

The provision of health, education and cultural facilities

Health

Oberon Council recognised the role that the provision of quality health, education and cultural facilities play with our community. As such Council remains commitment to the provision of aged care facilities for the residents of Oberon.

The allocation of bed licences for our region remains insufficient to meet demand. The limited aged care facilities currently located in Oberon are at capacity and substantial waiting lists exist. The established low care facility is now operating as a defacto high care facility while beds at the Multi-Purpose Service facility are permanently occupied by high care aged patients.

Currently all new low and high care aged patients are forced to seek alternate service provision outside of the LGA. The addition emotional and financial stresses this places on both the recipient of the care and their families is enormous at a time that is already recognised as a stressful life event. It is agreed that once an aged family member moves away from their immediate family and the familiar local environment that their health, both physical and psychological, declines at a more rapid rate than it would have should they have been able to stay closer to their home environment.

While the provision of aged care services is not the traditional domain of local government Oberon Council has been proactive in securing land and development approval for a low and high care 88 bed facility to be located in Oberon. As the Oberon LGA will see substantial growth in its seniors population (aged 65 years and above) with the greatest impact of this change seen from now, 2011, when the baby boomers demographic begin to turn 65 years of age, Council remains committed to this course of action. An operator has also been sourced and negotiations remain ongoing with Government to secure the required number of bed licenses to make this operation a viable proposition.

In the meanwhile our communities continue to suffer from the disconnect brought about by having older family members forced into a position of leaving the LGA to have their health needs met. This is an unacceptable position to Council and one that will continue to cause anxiety until a viable solution is established and operational. The only factor currently restricting the provision of aged care facilities in Oberon is a Federal system that is process driven not outcome responsive.

Oberon Council seeks the support of the State to achieve the establishment of an aged care facility for the community with not less than 60 bed licences.

Cultural and Recreational Facilities

Oberon Council continues to value passive and active recreational and cultural activity. The establishment of facilities continues to be a significant area of activity for Oberon Council. In recent years Council has cooperatively funded a number of facilities, including improvements to indoor recreational facilities, outdoor facilities and the provision of additional community spaces.

Council appreciates that arts and cultural programming add value to communities both in terms of resilience and as an attractor for relocation purposes and economic gain. Council seeks financial support for the establishment of facilities infrastructure and on-going funding to support operations and specific cultural programs.

Oberon Council does not accept the position that our communities should be placed in a position of accessing cultural and recreational facilities in neighbouring LGAs. It is Council's and the community's desire to provide a reasonable degree of access to both facilities and activities that contribute to the dynamic growth of our LGA now and into the future.

In the past Council, due to population size, socio-economic demographics (including low unemployment) and geographic location (perceived proximity to other centres), have been disadvantaged in their desire to provide adequate and up to date facilities for the community. Council seek to have this rectified now and into the future.

The adequacy of transport and road infrastructure

The LGA has a road network of 118km of regional roads and 740km of local roads. The main access points into Oberon are via O'Connell Road to the west, Duckmaloi Road via Hampton (Sydney Road), Abercrombie Road and Shooters Hill Road. The network has 100% of its regional roads sealed and 39% of local roads sealed.

The dominant economic activity in Oberon LGA is timber/wood manufacturing – 46% of \$243M GRP. This equates to approximately \$111M. The forest and timber processing industries are of State significance. Agricultural production is \$23M in 2005 (ABS) with primary production about 12% GRP. This equates to approximately \$29M (Western Research Institute, 2006).

Primary production (including timber related activities) is the predominant employment opportunity within the LGA and has a substantial flow on effect to the Oberon LGA and surrounding LGA's. It is also recognised that the forestry and logging sector is expected to continue to grow to 2021.

Currently 95% of timber from the Central Tablelands area is processed at the mills in Oberon. The current volume of timber used by the mills in Oberon is approximately 1M tonnes/annum. The main products are structural framing timber for the housing market and fibre-based products such as MDF.

Given these volumes, economic values and employment figures the logistics of freight movement in and out of the LGA is seen as a concern to Council. Of main concern is the impact of the large volume of trucks transporting pulp chips and saw logs on the road network. While the lack of a safe, swift road transport link to Sydney for freight movements impacts greatly on the future viability and expansion of our industry base. The Great Western Highway fails to deliver adequate access as does the The Bells Line of Road in its current state.

Both access points need upgrading to ensure a safe swift freight link as well as to provide access for the communities of Central NSW to Sydney for many purposes. It should also be

noted that the Central West NSW Transport Needs Study identified tourism as the third largest industry in Central NSW. The typical Sydney tourist travels to the region by car and experiences a substandard approach to Central NSW along the choked Great Western Highway.

In the first instance the corridor, especially the Sydney side from Kurrajong to the M7 needs securing. In addition the ability for B double transport to have access via the Great Western Highway east of Lithgow must be addressed and permitted to allow for economically viable freight movements.

Council remains keen to explore the provision of rail links for the Central West to Newcastle. This would facilitate an expansion for international trade opportunities, including timber products, that is currently missing from the mix. The removal of large volumes of freight from the road network and onto a rail network can only be seen as beneficial for all road users as well as safeguarding the future viability of the industry itself.

The comparative level of government business activity located within the region

Over recent years Oberon has seen the removal of State agency operations from the LGA. Of particular concern is the removal of the State Forest operational base from Oberon to out of the region.

Any other factor restricting economic and social development in central western NSW State Forests

Timber processing is the major industry in the Oberon LGA, sourcing raw materials from the NSW State Forest radiata pine plantations and private forest growers. Council is able to rate private forests for an equitable contribution to the establishment and maintenance of the roads network, community infrastructure and Council services, yet the same cannot be said of the State held forests.

Council is keen to see a return to the region of royalties generated from the NSW State Forest enterprises. Many a bureaucrat has represented to Council that the NSW State Forest Estate is to be run as an enterprise business along commercially viable private sector lines. Yet as a local authority we remain unable to rate them in the same manner that we rate all privately held property within the LGA.

When this sector is a major consumer of Council owned infrastructure, in particular the roads network, it seems like a distinct double standard that Council cannot recover financial contributions through the property based rating system from the State.

National Parks

Kanangra Boyd National Park together with Blue Mountains, Wollemi, Gardens of Stone, Nattai, Thirlmere Lakes and Yengo National Parks and Jenolan Karst Conservation Reserve have been inscribed on the World Heritage List as the Greater Blue Mountains World Heritage Area.

A holding analysis of the Oberon LGA indicates that National Parks and Reserves cover 356,396ha which equates to 53.52 % of the LGA.

With regards National Parks Council suffers from the same anomaly as State Forests. The area attracts numerous tourists throughout the year who all visit the parks via the roads network maintained by Council. Some contribution in recognition of this fact is long overdue.

Tourism

Tourists visit the Jenolan Caves, Abercrombie Caves and Wombeyan Caves which are all part of the Jenolan Caves Reserve Trust. Tourism is considered both an established and growing industry for the LGA.

Although the LGA has tourist related facilities it is considered that there is a greater opportunity to capitalise on the tourism market. The establishment of a clear tourism strategy would provide a sound basis for strategic tourist related business planning.

With this in mind the lack of clarity from the State regarding the long term future and strategic development of the Jenolan Caves is of real concern to Council. Some vision and commitment to guarantee long range funding is needed to bring about the full economic potential and benefit the Jenolan Caves would return to the wider region.

Council favours continued public ownership of the Caves and a joint funding proposition for this national icon by both the State and Federal governments.

Water Resource Security

Water supply to the Oberon Township is accessed from Oberon Dam. A review of the Fish River Water sharing arrangements has resulted in Oberon's allocation increasing to 1064ML per annum, which will be further enhanced upon the completion of the towns Stormwater Harvesting system. This anticipated additional 200ML combined with increased allocation from the dam will support future residential and industrial expansion. Water to Burruga is accessed from a local source however there is limited information on its quality and capacity.

Opportunities for improved water efficiency have been identified by Oberon Council and there is recognition that water management is an integral component in planning for any future settlement and growth.

Given the efforts undertaken by Council to ensure water security for the community now and into the future Council does not support the amalgamation of water resources into a State owned entity or regional conglomerate. To do this would remove a most precious resource from local management, would lead to a reduction in local employment and a disconnect between the resource and the end user.

Other Matters

- Recognition of the substantial land implications and revenue raising constraints that State Forest, National Parks and Reserves has on the LGA.
- Provision should be made for the exploration of potential mineral resources and to ensure that mining and extractive industries are permissible land uses as far as possible in rural areas.
- Ensure provisions are put in place for the conservation of identified cultural/scenic environments including the Jenolan Caves and the O'Connell Conservation Area.
- The WRI Economic Analysis suggests that there are opportunities to encourage population growth.