

**Submission
No 329**

**INQUIRY INTO MANAGEMENT OF PUBLIC LAND IN
NEW SOUTH WALES**

Organisation: Bourke Shire Council

Date received: 29/08/2012

The Council of The Shire of Bourke

29 Mitchell St, Bourke, N.S.W 2840
P.O. Box 21, Bourke, N.S.W 2840
Telephone (02) 6830 8000 Fax (02) 6872 3030
Email: bourkeshire@bourke.nsw.gov.au
Web: <http://www.bourke.nsw.gov.au>



Please address all
communications to
the General Manager

Our Ref: AL-KSH-L1.6-L1.1-A5.5

OFFICE OF THE MAYOR

28th August 2012

The Director
General Purpose Standing Committee No. 5
Parliament House
Macquarie St
Sydney NSW 2000

Please find attached a submission from Bourke Shire Council to the Inquiry into the Management of Public Land in NSW.

Bourke Shire Council is pleased to accept an offer to address the General Purpose Standing Committee No 5 at their hearing being held in Bourke on 25th and 26th September 2012.

Yours sincerely

Cr Andrew Lewis
MAYOR

Encl.

BOURKE SHIRE COUNCIL SUBMISSION

to

INQUIRY INTO THE MANAGEMENT OF PUBLIC LAND IN NSW,

with particular reference to

TOORALE STATION in BOURKE SHIRE.

- 1. The conversion of Crown Land, State Forests and agricultural land into National Park estate or other types of conservation areas, including the:**
 - a. Process of conversion and the assessment of potential operational, economic, social and environmental impacts**

Response:

Traditionally, when any "property", whether a rural, business, commercial or residential property, changes hands, the purchaser will continue to use the "property" in a reasonably similar way to how it was used by the vendor. Various planning rules strongly control this to avoid radical changes of use and subsequent secondary impacts. Hence there are relatively limited operational, economic, social or environmental impacts brought about by the change of "traditional" ownership.

However, when the "Government" is the purchaser, and the land is converted to public land, there are invariably major secondary operational, economic, social and environmental impacts due to the change of use and different "provisions" which apply to public land.

This principle is the crux of what Governments must understand and for which Governments must commit to secondary structural adjustment offsets when commercial lands are converted to National Parks Estate or to other types of conservation areas.

In the case of Toorale Station, there was a double compound effect, not only due to the land being converted to public land, but also because the licenced water entitlements were bought by the Government and its highly productive use removed from the district.

Bourke Shire Council experiences are that virtually no consideration has ever been given to the potential operational, economic or social impacts of conversion prior to any decision to acquire and convert land to conservation categories.

b. Operational, economic, social and environmental impacts after conversion, and in particular, impacts upon neighbours of public land and upon Local Government

Response:

See separate notes relating to Toorale also.

Bourke Shire Council experiences are that virtually no consideration has ever been given to the potential operational, economic or social impacts of conversion after any decision to acquire and convert land to conservation categories.

Perhaps it could be argued that social impacts are considered by allowing Indigenous People to participate in joint management agreements, but this is very limited compared to the overall social impacts.

On 25th September 2008, only a couple of weeks after Toorale was acquired, Deputy Premier Tebbutt advised Bourke Mayor Wayne O'Mally and General Manager G Wise that Toorale would attract tourists by being a National Park, and Council would be offered "construction works" on the property, such as road works.

In practice, four years after the purchase, the property has limited access for tourists, and Council has not done any construction works for the National Parks and Wildlife Services on Toorale. Access gates on the property are now locked. There is no evidence that there has been any tangible increase in tourism as a consequence of the acquisition.

On the other hand, despite Council no longer receiving any rate payment from the property, Council is obliged to maintain the public road to and through the property, even though National Parks personnel are the main users of much of the road.

Prior to the acquisition, Toorale supported a number of families, including those with school aged children. Since the acquisition, it is Council's understanding that no families with children now live on the property. As a direct consequence of the change of population, one school in the Shire which previously provided education to these Toorale children has now closed.

As a further example of the reduction of people resident on Toorale, on 26th June 2012 when the Minister for the Environment and Minister for Western NSW made a planned trip to Toorale, there was not a single National Parks employee working on the entire property during the day, and a gate had to be unlocked by staff who travelled out from Bourke to meet the Ministers.

Council fully expects that we will be called upon to a far greater degree than under previous management if and when there is a bush fire on Toorale, particularly due to:

- The reduced manpower residing on and servicing Toorale since acquisition
- The increased fuel load since acquisition
- The understood reduced efforts on the property to construct fire breaks
- The reduced number of people effectively engaged in prompt local communications during the initial stage of an emergency.

c. That the following cases be considered in relation to Terms of Reference 1(a) and 1(b):

Toorale Station in Bourke Shire.

Response:

See attached reports, thus:

- Letter from Mayor to Minister Wong 5th September 2008
 - *No response.*
- Toorale: Annual Input Costs excluding Labour 19th September 2008
 - *Distributed widely, including to various Politicians.*
- Toorale: Where to from here? 24th September 2008
 - *Given to Deputy Premier on 25th September 2008. No follow –up by Deputy Premier*
- Meeting Report: Deputy Premier and Mayor 25th September 2008
 - *No follow-up by Deputy Premier.*
 - *Deputy Premier asked for further information to take to Canberra.*
- Toorale: Future Operations and Structural Adjustments to deliver Socio-Economic Offsets for De-Commissioning the Irrigation 3rd October 2008.
 - *Sent to Deputy Premier on 8th October 2008 following request on 25th September.*
 - *No response.*
- Letter to Prime Minister Rudd 24th October 2008
 - *No response*
- Resolution from NSW Shires Conference 2009 June 2009

2. The adherence to management practices on all public land that are mandated for private property holders, including fire, weed and pest management practices.

Response:

Neighbours state that impacts from adjoining a National Park include:

- No longer any effective sharing of responsibilities for construction or maintenance of boundary fences
- Decommissioning of open waters on National Parks and lack of population controls of native animals lead to increased native and feral animal pressure on the neighbours in gaining access to water, and on boundary fences, and on improved pastures/vegetation in the neighbours, whilst the harbour and protection for these animals may be in the Park
- Increased risk of bush fires, with increased fuel loads and less labour within the Parks, and less effort by Parks management to construct fire breaks.

3. Examination of models for the management of public land, including models that provide for conservation outcomes which utilise the principles of "sustainable use".

Response:

Refer to the models used in South Australia for Regional Reserves, such as the Innaminka Regional Reserve. A copy of a South Australian Department of Environment and Natural resources publication titled "Innaminka Regional Reserve and Coogie Lakes National Park" is attached. This document quotes: *"The regional reserve classification permits conservation, grazing, petroleum exploration and mining, and managed recreation use to continue side by side"*.

It is strongly recommended to the Inquiry that this South Australian model be investigated with the view to replication within the lands currently classified as National Parks, Nature Reserves and other similar categories in Western Division of NSW.

The rangeland features where these Regional Reserves operate in South Australia, including large areas, low and variable rainfall, low population numbers of both local residents and tourists are equally applicable to the Western Division Region of NSW.

4. Any other related matters.

5. Response:

a. Council Rates

- i.* It is totally unacceptable for Local Government to have to wear the responsibilities for rates adjustment whenever the State Government decides to acquire land for public purposes such as National Parks.
- ii.* This is even more offensive to Local Government when the Bourke Mayor was advised by the Deputy Premier that *"the State Government could not possibly be able to afford to pay the rates for National Parks, whether Toorale or any others"*. Council's opinion was that if the State Government could not afford to pay the rates for Toorale, it should not have purchased the property to start with. Further, Council was concerned that if the State Government could not afford the rates, there was concern that the State Government would not be able to afford to effectively manage the property.
- iii.* In the situation regarding Toorale, this one property had been responsible for contributing 4% of the total rates for Bourke Shire Council. Following the acquisition, Council had a choice of operating the ongoing annual budgets with an immediate 4% rate shortfall, or distributing the 4% shortfall across all ratepayers as an ongoing annual basis. In this case, it was distributed predominantly across rural ratepayers, who effectively have an annual impost of over 4% directly as a result of the decisions of the Commonwealth and State Governments for purchase of Toorale. It is worth noting that this extra burden far exceeds the annual rate pegging limit imposed on Councils by the State Government, demonstrating further inconsistencies by Government.

- iv. Across Bourke Shire Council, the land acquired by the State Government for National Parks, with or without assistance from the Commonwealth Government, has accounted for approximately 7% of the original rate base of the Shire. This 7% has now had to be spread across all remaining ratepayers.

b. Western Lands Leases

- i. All holders of Western Lands Leases in Local Government areas must pay Local Government Rates.
- ii. Toorale Station was historically a number of Western Lands Leases under the Western Lands Act, held for grazing and irrigation.
- iii. Despite the property being purchased by the Government in 2008, the lease purposes did not get changed to "conservation" until 21st December 2011.
- iv. However, there have been no Council rates paid for Toorale since June 2009, highlighting a possibility that the Government has been at fault in not paying rates at least until 21st December 2011.

c. Commonwealth –State Financial Arrangements

- i. The NSW Government has stated and continues to state that because much of the money used to acquire Toorale was supplied by the Commonwealth Government, the rules understood to have been stipulated by the Commonwealth Government have over-ruled any ability for the State Government to negotiate any alternate operational arrangements. Council has no knowledge whether the Commonwealth Government has ever been questioned on their flexibility to this assumed position. Council urges the Inquiry to have the State Government negotiate with the Commonwealth Government to review the conditions purported to be imposed by the Commonwealth.

Prepared by:
Geoff Wise
General Manager
BOURKE SHIRE COUNCIL
28th August 2012.

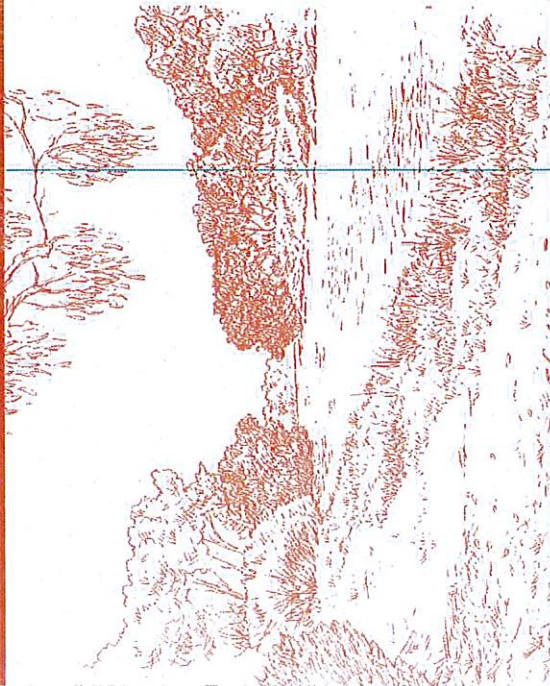
ATTACHMENTS TO SUBMISSION BY BOURKE SHIRE COUNCIL

Innaminka Regional Reserve and Coongi National Park

Toorale Station in Bourke Shire.

- Letter from Mayor to Minister Wong 5th September 2008
 - *No response.*
- Toorale: Annual Input Costs excluding Labour 19th September 2008
 - *Distributed widely, including to various Politicians.*
- Toorale: Where to from here? 24th September 2008
 - *Given to Deputy Premier on 25th September 2008.*
 - *No follow-up by Deputy Premier*
- Meeting Report: Deputy Premier and Mayor 25th September 2008
 - *No follow-up by Deputy Premier.*
 - *Deputy Premier asked for further information to take to Canberra.*
- Toorale: Future Operations and Structural Adjustments to deliver Socio-Economic Offsets for De-Commissioning the Irrigation 3rd October 2008.
 - *This was an attachment to the letter to Deputy Premier on 22nd October*
- Letter to Deputy Premier following request on 25th Sept 22nd October 2008
 - *No response.*
- Letter to Prime Minister Rudd 24th October 2008
 - *No response*
- Resolution from NSW Shires Conference 2009 June 2009

Innamincka Regional Reserve and Coongie Lakes National Park



Healthy Parks
Healthy People



Government
of South Australia

PARKS SA

Innamincka Regional Reserve

A reserve of contrasts, Innamincka Regional Reserve covers over 1.3 million hectares of land ranging from expanses of gibber rises to the thriving wetlands of the Cooper Creek system. The area was proclaimed a reserve in 1988 to protect the integrity of the internationally significant wetlands. The regional reserve classification permits conservation, grazing, petroleum exploration and mining, and managed recreation use to continue side by side, making it the first reserve of its type. The region has a remarkable cultural history, as the traditional home for several Aboriginal groups including the Yandruwantha and Yawarrawarka people, as the scene for Burke and Wills' ill-fated expedition, and home to an Australian Inland Mission.

Visitors can enjoy Innamincka Regional Reserve by camping along the shady banks of the Cooper, and fishing, swimming and canoeing in its cool waters. Take a walk along the creek to really experience this oasis in the desert, or discover the area by vehicle, visiting the many historic sites or studying the fascinating geology of the region. After all this you can then sit back for a well-earned drink and get to know the locals at the popular hotel.

Coongie Lakes National Park

Coongie Lakes is listed as a Ramsar Wetland of International Importance. The waterbird diversity is high for an arid wetland and is a significant feeding, resting and breeding site for an enormous number of birds that migrate to the area. The contrast from sand dunes to vast wetlands is remarkable. The park is a true wilderness for visitors seeking a place of solitude to enjoy nature.

Take advantage of the wilderness - camp, canoe, swim, enjoy photography, bushwalk, discover evidence of Aboriginal occupation and generally relax in the calm surrounds of the wetlands. The wetlands are a paradise for birdwatchers, with hundreds to thousands of birds in the region. Motorboats, camp fires, fishing and generators are not permitted in the park, ensuring a genuine wilderness experience.

Heritage

Aboriginal culture and history

The Cooper Creek was a major Aboriginal trade route and Innamincka itself was an important meeting place. The name Innamincka is believed to have derived from Aboriginal legend and means "deep dark hole".

The Yandruwantha and Yawarrawarka people have lived in this region for thousands of years, taking advantage of the prolific birdlife and seasonal wildlife. The Aboriginal people's strong connection to the land system, is still evident today.

While on country we ask that you respect our culture as significant sites and artefacts are all protected.

Co-management

Co-management of the park involves a partnership between the government of South Australia and traditional owners to share responsibility and decision making for the strategic management of the park. The Yandruwandha Yawarrawirka Parks Advisory Committee (Coongie Lakes National Park) has a role in providing advice on a range of reserve management activities.

Settlement

The town of Innamincka began as a police camp in 1882 and soon became a thriving commercial centre, with a hotel, police station, store, boarding house, blacksmith's shop and school. The Elizabeth Symon Nursing Home was opened in 1928. It was part of a network of outback hospitals set up by John Flynn and run by the Australian Inland Mission to provide medical services for people living in isolated areas. It closed in 1951 due to the declining population. In July 1994, following major restoration works, it was reopened as the Innamincka Regional Reserve park headquarters and information centre and is listed as a heritage site. The interpretive display is open to the public daily and gives insight into the natural history of the area, Aboriginal people and their culture, European settlement, outback nursing and the history of the building and the people who worked there.

Exploration

Innamincka was geographically destined to play a major role in the early exploration of Australia's interior. Its central location and reliable water supply made it an ideal base camp or resting place for expeditions to the north and west and later, cattle drives from the east and south. Riverbeds with their canopies of shade offered mid-summer relief for travellers and stock. There were plentiful supplies of fish and game most of the year.

Captain Charles Sturt became the first European to set eyes on these wetlands in 1844-45. Only fifteen years later, Burke and Wills died here. Their

Flora

Northern River Red Gums and coolibahs cover the banks and floodout areas of Cooper Creek, which flows into the Coongie Lakes system. Lignum often forms dense thickets beneath the River Red Gums. The gibber country has sparse vegetation, except for Mitchell-grass and some other grasses and herbs. The drainage lines are filled with Red Mulga and Gidgee.

Dunes in this area can be as high as fifteen metres.

Dune vegetation varies, but visitors may see

Whitewood, Narrow-leaf Hop-bush, Sandhill Wattle and Sandhill Cane-grass. Soil type and how often the area is inundated determines the vegetation type from grasses and herbs to low open woodlands.

Fauna

Over two hundred bird species have been recorded in the Innamincka and Coongie Lakes region. The wetlands are an important habitat for birds moving between northern and southern Australia, and in some cases, internationally. Species seen include wetland birds such as Australian Pelicans and Red-necked Avocets, and desert birds like Inland Dotterels and Gibberbirds.

The Coongie Lakes area is also known for attracting large congregations of birds – over 70 000 birds have been observed at one time. Twenty-four of the bird species in the area are classified as rare, vulnerable or endangered in South Australia. Ten wetland species and 45 waterbird species are known to breed in the area.

Many species of native animals are present in the parks including Dingoes, Red Kangaroos, turtles, and Water-rats, which are a delight to watch as they swim and dive along the banks of the Cooper. Snakes are rarely seen, especially during the cooler months of April to September, but should always be treated with respect and left alone. The area is home to the world's most venomous snake, the Inland Taipan. Feral animals including donkeys, camels and pigs also inhabit the park.

companion, John King, was eventually rescued by Alfred Howitt, only after receiving help from local Aboriginal people. Burke's Memorial, Wills' Memorial and King's Site are all found in the Innamincka Regional Reserve, while the Dig Tree is a short drive into Queenstand.

Pastoralism

Between 1870 and 1890 the north-east of South Australia saw the arrival of sheep and cattle, leading to the establishment of the pastoral industry at the turn of the century. Sidney Kidman bought Coongie Station in 1902 and Innamincka Station in 1908. The two properties were merged in 1930 under a pastoral lease to become a productive cattle fattening and horse breeding run. Innamincka Station now covers 13 800 square kilometres of the Innamincka Regional Reserve and is still leased by the S Kidman & Co pastoral company. Early in 1996, Coongie Lakes and Cullymurra Waterhole were fenced and cattle excluded from these areas.

Petroleum exploration and mining

Since the first gas discovery in 1963, the Cooper Basin has become the largest onshore hydrocarbon production region in Australia. Innamincka Regional Reserve covers approximately 30% of the South Australian portion of the basin. Santos and their joint venturers hold the licences to explore for and extract oil and gas from the basin.

Hydrocarbons are processed at Moomba, 90 km south-west of Innamincka and from there gas is sent via pipeline to customers in South Australia, New South Wales and the ACT. The latest development has been in geothermal exploration, which uses the hot rocks underground to produce energy.

Coongie Lakes National Park was proclaimed in 2005 to protect the Ramsar-listed wetlands. Exploration and mining is not permitted in Coongie Lakes National Park.

Facilities

The township of Innamincka has campgrounds, a hotel, homestay, store, petrol/fuel, toilets, showers, phones, ranger station, information centre, rubbish disposal, and mechanic and tyre repairs.

Good camping sites can be found close to Innamincka at the Town Common, Policemans and Ski Beach - all have toilets. Cullyamurra Waterhole has lots of space and several toilets, while Minkie Waterhole and Kings Site are smaller with no toilet facilities.

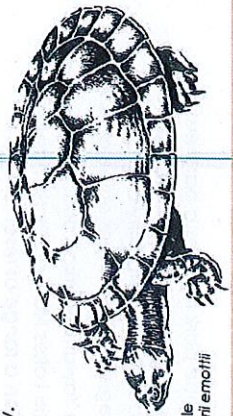
In Coongie Lakes National Park, camp sites with toilet facilities are located at the creek. Camping is also available around the lake's edge. Kudriemitchie campground is located on the edge of the park, and camp fires and generators are allowed.

Things to do

Visit the sites of Burke and Wills' fatal expedition: Burke's and Wills' graves where their bodies were found and originally buried; King's tree, where John King, the sole survivor of the expedition, was found alive after being cared for by Aboriginal people; and the Dig Tree Historic Site just over the border in Queensland, where Burke and Wills returned to find their camp empty and a message carved in a tree telling them where to dig for supplies. The carving is still visible today.

Cullyamurra Waterhole is a beautiful spot on the Cooper, perfect for fishing, swimming, boating, camping or just relaxing.

Explore Innamincka township and its various features, including the Elizabeth Symon Nursing Home. Allow at least 30 minutes to view the interpretive display.



Cooper Creek Turtle
Emydura macquarii emathi

Desert Parks Pass

The Desert Parks Pass or a pre-purchased short-term entry and camping permit is required to enter and camp in Innamincka Regional Reserve and Coongie Lakes National Park. A Desert Parks Pass is also required for access to and camping in other Desert Parks including:

- Simpson Desert Conservation Park
 - Simpson Desert Regional Reserve
 - Witjira National Park
- (short-term entry and overnight camping permits also available)
- Lake Eyre National Park (short-term entry permits also available)
 - Wabma Kadarbu Conservation Park (camping not permitted)
 - Tallaringa Conservation Park (short-term entry and overnight camping permits also available)

The Desert Parks Pass is valid for 12 months and is issued on a per vehicle basis. It includes the maps required to visit this area, information on the parks, and requirements for safe travel through the outback of South Australia.

A Desert Parks Pass is not required if visitors are travelling only on main public roads or staying in the Innamincka Town Common where other fees apply. Short-term entry and camping permits are available for visitors who wish to camp overnight at camp sites along the Cooper Creek in Innamincka Regional Reserve or Coongie Lakes National Park. A permit is required for each vehicle - available for purchase in Innamincka.

Fees collected are used for conservation and to maintain and improve park facilities for your ongoing enjoyment.

Boating and fishing

Motorised boats are allowed along Cooper Creek in Innamincka Regional Reserve provided the motor is less than ten horsepower and speed is kept below ten knots. All boats must be registered and a licence is required. Motorboats are not permitted in Coongie Lakes National Park.

No fishing licence is required in South Australia. However, bag and size limits apply under the South Australian Fisheries Act 1982. Nets are prohibited in all waters of Cooper Creek and the reserve.

Fishing is not permitted in Coongie Lakes National Park.

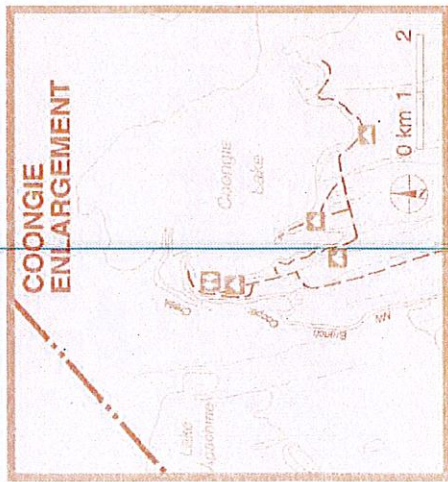
Outback safety

The outback of South Australia is a vast, wonderful and rewarding place to visit. To ensure that you get the best out of your experience it is important to obtain good advice and thoroughly prepare for your journey.

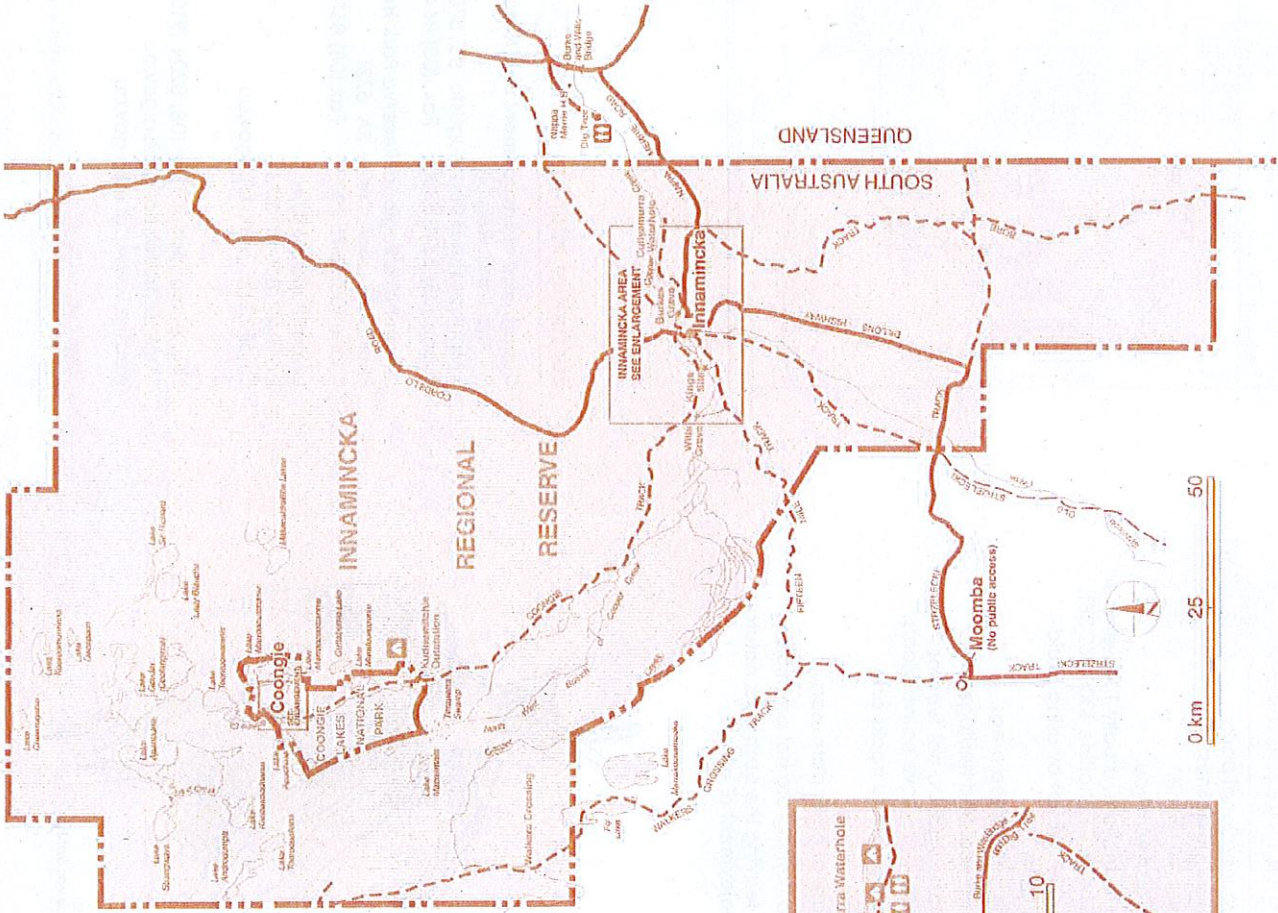
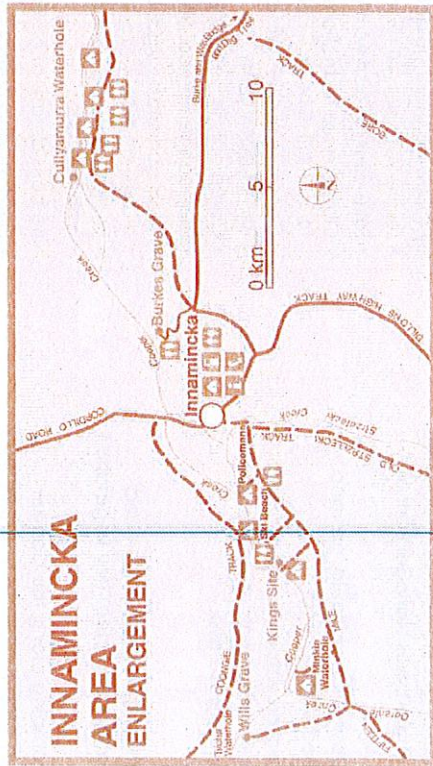
The Desert Parks Pass (DPP) contains detailed safety instructions, outback driving advice, vehicle and supply checklists as well as detailed maps for extended travel throughout Australia's unforgiving outback.

For shorter trips, where a DPP is not required pick up a *Remote Area Travel Information* brochure from Desert Parks Pass stockists. You can also download the brochure from www.parks.sa.gov.au or freecall the Desert Parks Hotline on 1800 816 078 to find out more.

All roads into Innamincka Regional Reserve are unsealed and conditions may vary considerably, particularly after rain. Be sure to check road conditions before beginning your trip.



- Park boundary
- Unsealed road
- Track
- Creek
- Campground
- Fuel
- Information
- Telephone
- Toilets



Fire safety

- Wood fires are not permitted in Innamincka Regional Reserve during the Fire Danger Season. Please use liquid fuel or gas stoves only. Wood fires are banned in Coongie Lakes National Park all year round.
- On Total Fire Ban Days, all fires (liquid, gas and wood) are prohibited in the parks.
- Please do not collect firewood, as fallen timber provides refuge for small animals. It is preferable you use a liquid fuel or gas stove.

Where to camp

- Choose a camp site clear of vegetation and remember it is an offence to clear any vegetation in a park.
- Be careful when camping along the Cooper Creek as some trees drop their limbs unexpectedly.

Minimal impact

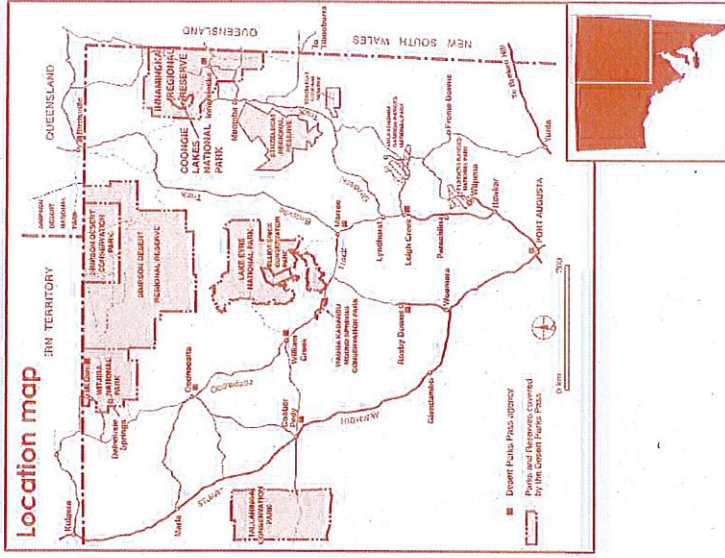
- Avoid washing close to water supplies, as even a small amount of soap or detergent will cause pollution.
- Bury toilet waste well away from water and burn toilet paper.
- Bag and carry out all rubbish. Do not leave rubbish bags unattended at camp sites, as crows destroy them and spread rubbish.

The National Parks Code

Help protect your national parks by following these guidelines:

- Leave your pets at home.
- Take your rubbish with you.
- Observe fire restrictions, usually 1 November to 30 April. Check CFS hotline 1300 362 361.
- Conserve native habitat by using liquid fuel or gas stoves.
- Camp only in designated areas.
- Respect geological and heritage sites.
- Keep our wildlife wild. Do not feed or disturb animals, or remove native plants.
- Keep to defined vehicle tracks and walking trails.
- Be considerate of other park users.
- Firearms and hunting are not permitted.

Thank you for leaving the bush in its natural state for the enjoyment of others.



For further information contact:

Department of Environment and Natural Resources

SA Arid Lands Region
9 Mackay Street Port Augusta SA 5700
Phone (08) 8648 5300 Fax (08) 8648 5301

Innamincka Regional Reserve Park Headquarters

PMB 5, via Leigh Creek SA 5731
Phone (08) 8675 9909 Fax (08) 8675 9912

Desert Parks Hotline

Freecall 1800 816 078
Email desertparks@sa.gov.au

Phone Information Line (08) 8204 1910

Email denrinfo@sa.gov.au

Website www.parks.sa.gov.au

Northern River Red Gums
Eucalyptus camaldulensis var. *obtusata*



Cover: Cooper Creek
© Department of Environment and Natural Resources
June 2012 • FIS 91529

The Council of The Shire of Bourke

29 Mitchell St, Bourke, N.S.W 2840
P.O. Box 21, Bourke, N.S.W 2840
Telephone (02) 6830 8000 Fax (02) 6872 3030
Email: bourkeshire@bourke.nsw.gov.au
Web: <http://www.bourke.nsw.gov.au>



Please address all
communications to
the General Manager

WOM-51-KM-A5.5-L1.6

Office of the Mayor

5th September 2008

The Hon. Penny Wong, MP
Minister for Climate Change & Water
Parliament House
Canberra ACT 2600

Dear Minister

Re: Sale of Tooralé Station - URGENT

I have been advised that there have been discussions between the Federal and State Government Departmental Officers regarding the purchase of the Bourke property "Tooralé" to return water to the Darling River to provide for the environment and downstream needs of communities. I am advised that the proposal is for the land to become a State owned National Park.

As Mayor of one of the affected communities I wish to bring to your attention the enormous social and economic impacts that this proposal would have on our town.

Our Shire has suffered a 25% drop in population over the last six years as a consequence of the prolonged drought, combined with changes to water allocations through the introduction of the Cap strategy on the Barwon Darling River system. This population reduction, which has been equally distributed between the urban and rural community, is the largest percentage decline of any shire in Australia over this period.

Tooralé is the most productive large scale mixed enterprise property in the Bourke Shire, and the largest employer of properties in this category. Despite the overall reductions in employment, Tooralé currently has nine full time employees, and throughout the year regularly provides employment and business for up to 100 people either as permanents,

casuals or contractors, virtually all from the local district. Tooralé Station contributes 4% of our total shire rates.

Using normal multiplier formula, you will appreciate the significant financial, employment and social benefits this has to our Shire community of only 3,000 people. Sale of the water licence and conversion of the productive land to a national park will result in immediate and lasting major reduction in local employment, in secondary employment through contractors and other allied services, and in local cash flow through the local community.

Tooralé covering 225,812 acres (91,383ha) which includes 2,064ha of developed irrigation country. The property normally runs 14,000 breeding ewes, 7,000 wethers, 5,000 replacement ewes and 800 breeding cows in any given year. Local carriers are currently transporting 4000 of last year's lamb drop over 500km to market, where they are selling for nearly \$100 per head. This is a small example of the business being generated.

Tooralé currently has 4.5 FTE employees working within its grazing operations, which increases to 30 personnel at times of shearing and other routine activities such as lamb & calf marking, dipping and crutching.

Within the Irrigation farm at Tooralé 4.5 FTE employees are also employed. This increases dramatically at harvest. Recent production at Tooralé has included very successful crops of Sorghum and Corn. This activity created numerous additional jobs for the harvesting and transport of the grain, which was an enormous boost to our very drought affected community.

The closing of this farm will impact on the social and economic structure of the town. After seven years of drought and the associated lack of employment opportunities the town cannot afford to lose a highly productive enterprise such as Tooralé.

Currently Bourke Shire has 177,342 Ha of National Parks which has resulted in a large revenue loss to Council and to lose additional rate income would put an increased burden on the remaining ratepayers to the extent of a further \$46,000 in rates being lost next year. The water crisis being experienced must be addressed by water users becoming more water efficient and by additional storage capacity before any more wholesale buyback of water, which will in this case have a disastrous impact on our area's socio-economic structure.

Minister I respectfully request you urgently and seriously consider my very grave concerns and have a thorough economic assessment of the impacts of the possible purchase of Tooralé by Government on the Bourke community. I look forward to discussing this matter with you further in the near future.

Yours sincerely

Cr Wayne O'Mally
Mayor

REPORT

Prepared by

BOURKE SHIRE COUNCIL

For the property

TOORALE

In relation to an

ESTIMATE OF INPUT COSTS

For the

TOORALE BUSINESS OPERATIONS

This report indicates that the annual input costs for the Pastoral and Irrigation Enterprises are at least \$4,700,000 excluding labour.

The report makes comments in relation to the implications of Toorale being converted from a commercial business to a National Park or Conservation Area.

The Business Owners in Bourke estimate that this will result in at least a 10% net impact on the economy of Bourke.

**G Wise
General Manager
Bourke Shire Council**

21st September 2008

SUMMARY

A. PASTORAL INPUT COSTS

SHEEP ENTERPRISE

- Contract shearing and crutching \$183,600
- Shearing supplies \$ 48,000
- Wool freight for adult fleeces \$ 20,520
- Sheep freight to sale \$ 30,000
- Replacement ram costs \$ 54,000

Total sheep enterprise costs for contract shearing, crutching and wool freight of adult sheep, sheep freight to markets and ram replacements \$336,120

CATTLE ENTERPRISE

- Freight for cattle to Market or Feedlot \$ 24,000
- Veterinary costs \$ 6,400
- Bull replacements \$ 20,000

Total cattle enterprise costs for freight to markets, veterinary costs and bull replacements \$ 50,400

DRENCH AND DIP PRODUCTS \$ 53,000

REPAIRS, MAINTENANCE and LOCAL FREIGHT \$140,000

DIESEL and PETROL USAGE on FARM
for PASTORAL ENTERPRISES \$127,500

TOTAL PASTORAL ENTERPRISES CONSIDERED \$707,020

B. IRRIGATION INPUT COSTS

IRRIGATED GRAINS

IRRIGATED WHEAT

- Variable costs \$1,002,153
- Freight \$ 193,072
- **Total wheat - variable costs and freight \$1,195,225**

IRRIGATED SORGHUM

- Variable costs \$ 225,045
- Freight \$ 203,175
- **Total sorghum - variable costs and freight \$ 428,220**

IRRIGATED MAIZE

- Variable costs \$ 118,281
- Freight \$ 147,900
- **Total maize - variable costs and freight \$ 266,181**

IRRIGATED COTTON

- Variable costs \$1,287,860
- Freight to Bourke Gin \$ 112,480
- **Total cotton - variable costs and freight \$1,400,340**

MULCHING ALL STUBBLES

- Mulching costs \$ 77,362

STEEL and EQUIPMENT HIRE

\$ 40,000

TOTAL IRRIGATION INPUTS CONSIDERED ABOVE \$3,407,328

DIESEL USAGE ON FARM for IRRIGATION \$ 969,000

- Note that some of these diesel costs are also included in the variable costs for the various enterprises. Hence they are reported separately.

TOTAL OF IRRIGATION COSTS IDENTIFIED ABOVE

(Range \$3,407,328 to \$4,376,328) **Estimate say \$4,000,000**

COMMENTS

- Virtually no consideration has been given to labour costs, and no attempt has been made to determine the number of people directly or indirectly employed.
The variable costs are derived directly from the data published by Clyde Agriculture in the sales brochure for Toorale, and from the Department of Primary Industries Gross Margins publications on the web. The DPI publications specifically state that “labour is not costed” within their variable costs.
- These figures only apply to the input costs for primary production. They totally ignore general farm management maintenance, or profit or living costs, which all transfer directly to the local economy of less specialist rural businesses such as food, household contents, general farm supplies, fuel, personal needs and entertainment.
- The figures also totally ignore allied cash flow, such as tourism (eg fishing), sponsorship (eg Louth races), community support (eg sporting teams) and community service (eg volunteers).
- The figures totally ignore multiplier effects which are traditionally considered in economic modelling. For example, major flow on effects can be expected to service industries (eg schools, hospitals).
- Toorale has historically been one of the three or four major non-government contributors in eastern Australia to rural skills training for the Australian Pastoral Industry, with a significant proportion of station managers throughout the industry having been trained on Toorale. Clyde Agriculture regularly uses Toorale as a location for specialist skills training for all their staff from all their properties. Apart from the unquantifiable value of these enhanced intellectual and manual assets across the industries, the concentration of people in the shire for training contributes financially to the local economy.

- **Impacts of Toorale relative to the Bourke regional community:**
 - Toorale's water licences represent approximately 14% of the total water licences in the Bourke Shire on the Barwon, Darling and Warrego rivers.
 - Toorale's sheep represent over 7% of the total sheep population in the Bourke Rural Lands Protection District (equivalent to the Bourke Shire) in 2007 (the most recent available figures). It is predicted that this percentage would currently be much higher.
 - Toorale's current adult cattle numbers represent over 8% of the total cattle population in the Bourke Rural Lands Protection District (equivalent to the Bourke Shire) in 2007 (the most recent available figures).
 - Toorale contributes significantly to the employment through permanent, temporary casual and contract employment of up to 100 people, which therefore translates to approximately 100 families. ABS figures identify that there are only 720 families in the Bourke Shire. This provides a context for the significance of the employment impact within the shire.
 - Toorale Council rates are 4% of the total Bourke Shire Council general rates levied each year. These rate payments will cease with a National Park.
 - Currently 14 or 15 National Parks and Wildlife staff are employed in Bourke to service three locations involving a total area of 177,342 hectares of National Parks in the Bourke Shire and 37,000 hectares of National Parks outside the Bourke Shire. With the increase of 91,383 hectares in Toorale (42% increase in area to be serviced, all of which is highly concentrated in one area and therefore easier to manage), and with unlikely need to increase either management or administration positions in National Parks and Wildlife, it is logical to assume that an increase in the Bourke Shire of less than 5 or 6 permanent National Parks and Wildlife staff will occur. However, even if 10 to 15 extra full time National Parks

and Wildlife staff are employed, this falls far short of the employment generated by Clyde Agriculture on Toorale.

- The natural wetland environment of the Warrego floodplain on Toorale is a recognised major breeding ground for feral pigs within the Shire. Extensive resources are required on a continuing basis to maintain control of this pest to avoid spread throughout the shire. If this control is not effective it will place significant unwarranted additional cost and time burdens on other landholders.
- Clyde Agriculture has had a company principle of buying and spending locally. This has been exemplified by having located their head office in Bourke for many years. Consistent with this principle, a very large proportion of all input costs identified in this report could be expected to be verified as being spent locally.
- It is acknowledged that not all input costs identified in this report apply totally to cash flow in the Bourke community. The main exceptions are shearing and harvesting contractors, ram and bull suppliers and veterinary services. However, these contractors do spend an amount of the locally earned income in the Bourke community.
- Historically a significant number of amateur fisherman regularly use Toorale for fishing and yabbing. These people contribute to the economy in the shire. Unless this access is maintained, there will be a further loss from the district by loss of this “tourist” leisure activity.
- **The Business community has difficulty in quantifying the impacts the loss of Toorale as a commercial property will have on their individual businesses, but a recent gathering of Business owners has expressed a view that a net 10% negative impact is a realistic estimate.**

- **Importantly, there is grave concern that because all businesses in Bourke are currently operating at bottom line, skeleton staffing levels, any further reduction in their business may place them below a critical operating threshold.** This has already occurred in Bourke in the last twelve months with the closure of two of the three supermarkets and of one fuel outlet. Further, the RSL Club and a tyre business have gone into liquidation.
- This report has purposely been compiled by separation of the Pastoral Enterprises from the Irrigation Enterprises. This approach has been taken to highlight the relative effects of;
 - the water buyback, considered as being primarily the agenda of the Commonwealth Government, and
 - the initiative to convert the pastoral component of the property to a National Park or conservation area, considered as being primarily the agenda of the State Government.
- The information in this report has been put together in a very short period of time, and as such warrants scrutiny. It has been highlighted throughout this report that many considerations have not been included. The author has chosen not to approach any representative from Clyde Agriculture for actual data, to avoid any perceived conflicts of interest.

The primary sources of the majority of the data have been from:

- The sales brochure for Toorale
- Department of Primary Industries Gross Margins publications.

Other data has been obtained from:

- Locally obtained contract rates for routine activities
- Locally quoted production figures
- Actual supply sources.

The author would encourage anyone who wishes to verify this report to request actual data from Clyde Agriculture.

The author will welcome discussion on any aspects of this data for clarification.

DETAILS

A. PASTORAL INPUT COSTS

SHEEP ENTERPRISE

CONTRACT SHEARING and CRUTCHING of ADULT SHEEP

- Numbers
 - Breeding ewes 12,000
 - Wethers 7,000
 - Replacement ewes 5,000
 - Total adult sheep 24,000

- Unit Cost
 - Shearing contract rate \$6.10 per head
 - Crutching contract rate \$1.55 per head
 - Total shearing and crutching \$7.65 per head

- Contract shearing and crutching
 - 24,000 x \$7.65 **\$183,600**

- Shearing supplies
 - \$2 per head
 - 24,000 x \$2 **\$ 48,000**

- Associated shearing costs not counted
 - Contract and casual mustering and stock handling
 - Contract shearing/crutching of lambs

WOOL FREIGHT for ADULT SHEEP

- Numbers
 - 30 bales per 1000 adult sheep
 - 24,000 adult sheep
 - \$28.50 per bale road freight to sale centre

- Wool freight for adult fleeces
 - 30bales/1000 X 24,000 x \$28.50 **\$ 20,520**

- Associated freight costs not counted
 - Freight for wool from young sheep

SHEEP FREIGHT to MARKETS

- Numbers
 - 8,000 sheep movements
 - 400 km to market
 - 100 sheep per deck
 - Eight deck road train @ \$7.50 per Km

- Sheep freight to sale
 - 10 road trains x \$7.50 per Km x 400 Km **\$ 30,000**

- Associated freight costs not counted
 - Freight of additional sheep onto property
 - Freight of additional sheep from property

RAM PURCHASES

- Numbers
 - 80 rams per annum
 - \$ 675 per head

- Replacement ram costs per annum **\$ 54,000**

OTHER SHEEP ENTERPRISE COSTS NOT CONSIDERED

- Lambmarking
- Mulesing
- Sheep droving, mustering, handling

TOTAL SHEEP ENTERPRISE COSTS for CONTRACT SHEARING,
CRUTCHING and WOOL FREIGHT of ADULT SHEEP,
SHEEP FREIGHT to MARKETS and RAM PURCHASES **\$336,120**

CATTLE ENTERPRISE

- Numbers
 - 800 breeding cows
 - 500 steers
 - 3% bulls
 - 75% calving, cows joined to calves weaned
 - 800 head to feedlot or market
 - 100 head per road train
 - 400 Km to feedlot or market
 - \$7.50 per Km roadtrain cost
 - Veterinary costs
 - \$100 per bull
 - \$5 per cow

- Freight for cattle to Market or Feedlot
 - 8 roadtrains x 400 Km x \$7.50 per Km **\$24,000**

- Veterinary costs
 - Bulls 24 bulls x \$100 \$2400
 - Cows 800 cows x \$5 \$4000
 - Total veterinary costs \$ 6,400
- Bull replacements
 - 20% replacement
 - Average price estimate \$4000
 - 5 bulls x \$4000 \$20,000
- Costs not considered
 - Freight for store cattle to property
 - Freight for store cattle leaving property
 - Marking, branding, worming, vaccinations, handling
- TOTAL CATTLE ENTERPRISE COSTS for FREIGHT
- to MARKETS, VETERINARY COSTS and BULL
- REPLACEMENTS \$ 50,400

DRENCH AND DIP PRODUCTS \$ 53,000

REPAIRS, MAINTENANCE AND LOCAL FREIGHT \$140,000

DIESEL and PETROL USAGE on FARM for PASTORAL ENTERPRISES

- Livestock enterprises
 - 50,000 litres diesel per annum
 - 25,000 litres petrol per annum
- Current price \$1.70 per litre for diesel and petrol similar
- Cost of 75,000 litres of diesel and petrol @ \$1.70 / litre \$127,500

TOTAL PASTORAL ENTERPRISES IDENTIFIED ABOVE \$707,020

B. IRRIGATION INPUT COSTS

IRRIGATED GRAINS

IRRIGATED WHEAT

- Numbers
 - 1097 Hectares
 - 8 tonnes per hectare estimated yield
 - Variable costs excluding freight -As per DPI Northern Zone Gross Margin publication based on:
 - 6 tonnes per hectare
 - \$913.54 per Hectare variable cost
 - Freight @ \$22 per tonne
- Variable costs excluding freight 1097Ha x \$913.54 **\$1,002,153**
- Freight 1097 Ha x 8 tonnes x \$22 **\$ 193,072**
- **Total wheat variable costs and freight \$1,195,225**

IRRIGATED SORGHUM

- Numbers
 - 258 Hectares
 - 10.5 tonnes per hectare approximate actual yield
 - Variable costs excluding freight – As per DPI Northern Zone Gross Margin publication based on:
 - 8 tonnes per hectare
 - \$872.27 per hectare variable cost
 - Freight @ \$75 per tonne
- Variable costs excluding freight 258 Ha x \$872.27 **\$225,045**
- Freight 258 Ha x 10.5 tonnes x \$75 **\$203,175**
- **Total sorghum variable costs and freight \$428,220**

IRRIGATED MAIZE

- Numbers
 - 116 Hectares
 - 12.5 tonnes per hectare approximate actual yield
 - Variable costs excluding freight – As per DPI Northern Zone Gross Margin publication based on:
 - 10 tonnes per hectare
 - \$1019.67 per hectare variable cost
 - Freight @ \$102 per tonne
- Variable costs excluding freight 116 Ha x \$1019.67 **\$118,281**
- Freight 116 Ha x 12.5 tonnes x \$102 **\$147,900**
- **Total maize variable costs and freight \$266,181**

TOTAL IRRIGATED GRAINS

\$1,889,626

IRRIGATED COTTON

- Numbers
 - 592 Hectares
 - Budget for 12.5 bales per hectare
 - 25 bales per module
 - Variable costs excluding freight -As per DPI Northern Zone Gross Margin publication based on:
 - \$2175.44 per Hectare variable cost
 - Freight to Bourke Gin @ \$380 per module
- Variable costs excluding freight 592 Ha x \$2175.44 **\$1,287,860**
- Freight to Bourke Gin
- 12.5 x592 x1/25 296 modules x \$380 **\$ 112,480**
- **Total cotton variable costs and freight \$1,400,340**

MULCHING ALL STUBBLES

- Numbers
 - 1097 Ha Wheat
 - 258 Ha Sorghum
 - 116 Ha Maize
 - 592 Ha Cotton
 - Total area 2063 Ha
 - Cost per Ha \$37.50
- Mulching costs 2063 Ha x \$37.50 **\$77,362**

STEEL AND EQUIPMENT HIRE

\$40,000

TOTAL IRRIGATION INPUTS CONSIDERED ABOVE \$3,407,328

DIESEL USAGE ON FARM for IRRIGATION

- Routine Irrigation enterprises (excluding river extractions)
 - 300,000 litres per annum
- River extractions and lift pumps for irrigation
 - 180,000 litres per month
 - Variable access
 - Assume six weeks as estimate, hence 270,000 litres
- Total approximate volume of diesel 570,000 litres
- Current price \$1.70 per litre for diesel
- Cost of 570,000 litres of diesel @ \$1.70 / litre **\$969,000**

- Note that some of these diesel costs are also included in the variable costs for the various enterprises.

TOTAL IRRIGATION LISTED ABOVE

Range \$3,407,328 to \$4,376,328

Estimate say \$4,000,000

TOORALE – WHERE TO FROM HERE?

In progressing the future operations of Toorale, Council is of the definite view that all three spheres of government have obligations and responsibilities to work together and to address the whole of community consequences. No level of government should take a single issue reform focus if without considering and addressing the flow on effects requiring other reforms.

GRAZING OPTION

- Not convert Toorale or the majority of the property to a Conservation Area or National Park
- Allow the majority of the property to be used for controlled grazing
- Implement through having a term lease (eg 10 years)
- Justification for retention of grazing
 - Local input of employment and dollars
 - Good investment
 - Noxious animal and weed control
 - Continuation of training – jackaroo, station hands, etc
 - Not a burden on State budget
 - Local expertise maintained
 - Allow for Council rates to be paid
 - (If the wider community expects land to be taken out of commercial production and managed for conservation, the wider community should pay ongoing Council rates. If these rates are not paid, then a major cost shifting is imposed from the State Government onto the Local Government and local community.
 - Minimise negative impacts to community, especially on unemployment, local spending, anti-social behavior
 - Minimise negative impacts to Shire eg rates, access to road making materials

STATE PERSPECTIVE

- DESIRED OUTCOMES
 - Irrigation water returned to environment and irrigation area decommissioned
 - Conservation areas
 - Multi-purpose objectives across whole property
 - Rapid transition to ultimate future use (this has not happened in other local National Parks eg Gundabooka)
 - New land managers being respected community members
 - Minimise negative impacts to community
 - Minimise negative impacts to Shire
 - Maximise the opportunities to simultaneously address the social problems in the Bourke community

- POSSIBLE OPTIONS WORTHY OF FURTHER CONSIDERATION
 - Explore different models of land use of Government controlled lands.
For examples:
 - Aim for a mixture of responsible and recognised multiple purpose objectives
 - Not convert whole of Toorale or the majority of the property to a Conservation Area or National Park
 - Identify critical areas to benefit by being managed for conservation
 - Allow selected areas to be used for controlled grazing
 - Accommodate other uses, such as fishing, mining and quarrying
 - Use the property as a significant site for skills training
 - TAFE enthusiastic to contribute funding
 - Good accommodation available on Irrigation Farm as well as at the main homestead area.
 - Explore different models of land tenure of Government controlled lands.
For examples:
 - Kulcurna on the Murray in NSW near South Australia
 - Willandra World Heritage Area and reallocation of the properties Garnpang and Joulonii
 - Innaminka Nature Reserve in South Australia
 - Explore different options of land management of Government controlled lands.
For example:
 - Formation of some form of Management Trust to provide overall governance to the management
 - Explore different options of avoiding cost shifting on Government controlled lands.
For example:

- Allow for Council rates to be paid
(If the wider community expects land to be taken out of commercial production and managed for conservation, the wider community should pay ongoing Council rates. If these rates are not paid, then a major cost shifting is imposed from the State Government onto the Local Government and local community.)
- POTENTIAL CONSEQUENCES OF DIFFERENT MODELS
 - Maximise the diversity of outcomes available from this diverse property
 - Minimise the negative consequences of a single purpose conservation property
 - Minimise ongoing operating costs to Government
 - Maintain rating base for Council
 - Increased possibility of maintaining the valued skills of some of the current property management
 - Precedent for future similar situations
 - Addresses some of the criticisms of the traditional approach of automatic conversion to a National Park

COMMONWEALTH PERSPECTIVE

State and Local Governments work together to take the following proposals to the Commonwealth Government

- **DESIRED OUTCOMES**
 - Irrigation water returned to environment
 - Minimise negative impacts to community
 - Maximise the opportunities to simultaneously address the social problems in the Bourke community
- **POSSIBLE OPTIONS WORTHY OF FURTHER CONSIDERATION**
 - Explore different models of offsetting community impacts
For example:
 - State and Local Governments approach Commonwealth Government for financial assistance to offset the community impacts.
- **EXAMPLE TO OFFSET COMMUNITY IMPACTS**
 - Commonwealth Government acquire the property which has been the most water efficient user and highest employer on the Barwon Darling River system, Back O' Bourke Fruits, and re-establish the business
 - Use Back O' Bourke Fruits as a major employer of the aboriginal community of Bourke.
 - Employ renowned sound management skills (non indigenous) available in the district
 - Use the property, in association with Toorale, as training centres for skills and cultural development, particularly for indigenous people.
 - Fund the construction and fit-out of a fifth building as part of the Back O' Bourke Exhibition Centre, to be used to display a dedicated Aboriginal Cultural Heritage exhibit.
 - This should be of a similar standard to similar facilities in Kakadu National Park in Northern Territory, and would be the only building of such a standard in south eastern Australia.
 - Use the facility as a major draw card for tourism.
 - Use the facility, in association with the Back O' Bourke Fruits property, Toorale and local National Parks to provide packages for tourism and education.
- **POTENTIAL SIGNIFICANT CONSEQUENCES OF THIS OPTION**
 - Aboriginal employment
 - Skills development
 - Education
 - Tourism
 - Cash flow to local (struggling) businesses
 - Pilot a trial of redistribution of financial support
 - Integration of Government investments within the Shire
 - Precedent for Governments and communities to study for intervention impacts on other communities.

MEETING WITH DEPUTY PREMIER CARMEL TEBBUTT

Re: TOORALE ACQUISITION BY GOVERNMENT

Thursday 25th September 2008

Background

- An announcement was made on Wednesday evening, 10th September, that the Commonwealth and State Governments had confirmed a deal to acquire Toorale.
- On 11th and 12th September Mayor O'Mally spoke to Minister Tebbutt, raising community and Council issues. The Minister agreed to meet with the Mayor.
- An invitation was extended to the Minister to visit Bourke and she indicated she would do so at the first available opportunity.
- Throughout the week commencing 15th September, Local Member Kevin Humphries was in Bourke, including organizing a public rally.
- Minister Tebbutt agreed to meet the Mayor and General Manager in Sydney on 25th September. The meeting lasted one hour.

Points raised by Mayor and GM at the meeting on 25th September, and responses by Minister

- Seek to retain grazing.
 - *The purchase included some funding being provided by the Commonwealth National Reserve System funding, within the portfolio of Minister Garrett. For this reason, a Commonwealth condition of the purchase is that the entire property must be managed as a conservation area.*
 - *Further, the Objects of the NSW National Parks legislation prevent grazing unless it is to improve the outcomes for a threatened species.*
 - *The Minister is prepared to talk again to the Commonwealth regarding this, but gives no guarantees.*
- Explore different options for land tenure.
 - *Same answer as above.*
- Acknowledge and address the economic impacts on the community.
 - *A National Park will provide increased tourism. (This is not necessarily the case and when would it happen given that it has taken so long to start establishing tourism on Gundabooka.)*
 - *State Government is very constrained with funding, and will be further impacted after the forthcoming mini-budget.*
- Seek Government to pay Council rates for National Parks.
 - *State Government could not possibly absorb these costs.*
 - *National Parks will look towards providing the Shire with work, such as roadworks.*
 - *How much will it cost to decommission the current irrigation? Perhaps the Council can undertake this work.*
- Seek State Government support to go to Canberra to seek Commonwealth funding to implement some form of community social restructuring package.
 - *This support was offered, and a request made to the General Manager to put forward a package for consideration.*
- Request to keep constructive dialog open between Minister and Council.
 - *Assurance given to keep dialog open.*

- Request a contact be provided in Canberra.
 - *A contact to be provided to General Manager.*

Where to from here?

- Council focus on obtaining appropriate contacts in Canberra, and taking initiative to progress these.
- Check whether the Commonwealth Government is prepared to consider any alternate model other than a National Park.
- Maintain constructive dialog with State Minister.
- Develop a "social structural adjustment package".
- Get State Minister on side with this package and take to Canberra with the State Government.
- Apart from any other outcome, work towards minimizing any possibility of any additional acquisitions in Shire, and on achieving simultaneous structural adjustment whenever there are water buyouts by the Commonwealth Government.

Wayne O'Mally

29/9/08

TOORALE
FUTURE OPERATIONS
and
STRUCTURAL ADJUSTMENTS
to deliver
SOCIO-ECONOMIC OFFSETS
for
DE-COMMISSIONING the IRRIGATION.

FUTURE OPERATIONS OF TOORALE

- DESIRED OUTCOMES for TOORALE
 - Irrigation water returned to environment and irrigation area usage decommissioned but infrastructure maintained as historic site
 - High value conservation areas maintained
 - Multi-purpose objectives established across whole property
 - New land managers contributing to the total community
 - Maximise the diversity of outcomes available from this diverse property
 - Minimise the negative consequences of a single purpose property
 - Minimise ongoing operating costs to Government

- FUTURE MANAGEMENT AND USE OF TOORALE
 - **Establish Toorale as an Arid Zone Climate Change Research, Training and Demonstration Centre**, and manage the property to address a mixture of outcomes
 - Aim for a variety of responsible, compatible, multiple purpose objectives
 - Identify critical areas to be managed for conservation (in accordance with the commitment that some purchase funds were to establish a national reserve).
 - Maintain the “McCaughey scheme” as both cultural history and as a conservation area for the species which have colonized in the area during over a century.
 - Decommission the modern irrigation to an extent that it does not adversely impede natural water flow, but keep the remaining irrigation structures as a long term history of modern farming.
 - Use the funds which would otherwise have been spent on totally levelling the irrigation development for more constructive socio-economic outcomes.
 - Allow selected areas of the property to be used for controlled grazing
 - Accommodate other uses, such as tourism, fishing, mining and quarrying
 - Use the property as a significant site for cultural and skills training.

STRUCTURAL ADJUSTMENTS
to deliver
SOCIO-ECONOMIC OFFSETS
for
DE-COMMISSIONING the IRRIGATION.

- **DESIRABLE OUTCOMES**
 - Deliver an integrated regional strategy to address social, cultural, and economic needs in parallel with environmental needs.
 - Priority focus on increasing employment
 - Minimise negative impacts to community
 - Minimise negative impacts to Shire
 - Maximise the opportunities to simultaneously address the social problems in the Bourke community

- **STRATEGIES TO OFFSET COMMUNITY IMPACTS**
 - **Re-establish irrigation properties with permanent plantings around Bourke to generate employment.**

Action: Commonwealth and State Governments work with private enterprise and local community to re-establish the irrigation properties with permanent plantings around Bourke which have been most water efficient users and largest employers of unskilled labour on the Barwon Darling River system. (Eg Back O' Bourke Fruits, Back O' Bourke Packers)

- Use these enterprises as a major employer of the aboriginal community of Bourke.
- Commonwealth Government explore opportunities to implement existing employment strategies, or pilot new ones, particularly focused on Indigenous employment (ie Aboriginal Employment Strategy).
- State Government waive Stamp Duty on purchase, and waive payroll tax, to assist in re-establishment of the enterprise.
- Employ renowned sound management skills (non indigenous) available in the district
- Use these enterprises, in association with Toorale, as training centres for skills and cultural development, particularly for indigenous people.
- Use the enterprises for tourism.
- *No estimate has been made on costing.*

○ **Establish an Aboriginal Cultural Heritage Centre to generate tourism and employment and to provide education.**

Action: Fund the construction and fit-out of a fifth building as part of the Back O' Bourke Exhibition Centre, to be used to display a dedicated Aboriginal Cultural Heritage exhibit.

- This should be of a similar standard to equivalent facilities in Kakadu National Park in Northern Territory, and would be the only building of such a standard in south eastern Australia, most proximate and accessible to at least 75% of the Australian population.
- Use the facility as a major draw card for tourism.
- Use the facility, in association with the Back O' Bourke Fruits complex, Toorale and local National Parks to provide packages for tourism and education.
- *An application for a \$4m grant through the Infrastructure Australia program has been submitted.*

○ **Construct a Goat Abattoir to generate employment.**

Action: Commonwealth Government provide funding for construction of a Goat Abattoir at Bourke.

- This would provide significant employment opportunities for both unskilled and skilled people, as well as for livestock and meat carriers.
- Incorporate into guided tours.
- *Estimated cost in the order of \$15m to \$20m.*

○ **Build a low care, aged care addition to the Bourke Multi Purpose Service Hospital.**

- There is an essential need for this facility, as the facility which currently provides the service is totally unsustainable.
- Relocation of low care aged care community members out of the Bourke community to far distant alternative facilities is not an option, as it is contrary to the culture of Aboriginal members, and socially dysfunctional and economically unachievable for most of our community.
- This is a practical example of a far more critical use of limited State Government funds than spending to flatten the irrigation area.
- *Estimated cost in the order of \$1.5m to \$2m.*

- **Implement a Socio- economic Zone Trial to utilize Government funding for more effective outcomes**

Action: Implement as a pilot in Bourke the Socio- economic Zone Trial proposal developed by the Barwon Darling Alliance.

- The Deputy Prime Minister's Office has recently requested more information regarding this trial proposal, with a view to considering a delegation to meet with the Deputy Prime Minister.
 - The delegation elected involves Sam Jeffries, Chair, Murdi Paaki Regional Assembly, and the Mayor and General Manager, Bourke Shire Council.
- *No estimate of cost has been made here, but for whole of Murdi Paaki Region is in the order of \$5m pa.*

- **Have land acquired for National Parks pay Local Government rates, to avoid cost shifting to Local Governments.**

Action: Have land acquired since January 2008 for National Parks or for part of the National Reserve System be subject to payment of Local Government rates, to avoid ongoing cost shifting to Local Governments.

- The starting date should be identified to coincide with the date that the current Commonwealth Government has initiated an alternate funding strategy for acquisition of lands for the National Reserve System. (Say 1st January 2008)
- Avoid the debate about retrospective payments for all existing National Parks.
- Prevents the frustrations of ongoing cost shifting from State and maybe Commonwealth Governments to the community members who have to pay Local Government rates.
- *Current cost shifting to Bourke Shire Council and to Bourke community is \$46,000 pa.*

- **POTENTIAL SIGNIFICANT CONSEQUENCES**

- Increased possibility of maintaining the valued skills of some of the current property management
- Aboriginal employment
- Skills development
- Education
- Tourism
- Cash flow to local (struggling) businesses
- Pilot a trial of redistribution of financial support
- Integration of Government investments within the Shire
- Precedent for Governments and communities to study for intervention impacts on other communities.

- Maintain rating base for Council.

- NEXT STEP

- State and Local Governments approach Commonwealth Government:
 - to address future use and management of Toorale, and
 - for financial assistance to implement the strategies to address the structural adjustments to offset the community impacts following the decommissioning of the Toorale irrigation.

OUTCOMES

- Employment
- Training
- Skills development
- Education
- Cultural awareness
- Tourism
- Aged care
- Food production
- Conservation
- Recreation

THE NEW LOOK BOURKE

Toorale Arid Zone Climate Change Research, Training and Demonstration Centre

Back O'Bourke Irrigation and Packing Efficiency Enterprises

Back O'Bourke Aboriginal Cultural Heritage Centre

Back O'Bourke Goat Abattoir

Low Care, Aged Care addition to the Bourke Multi Purpose Service Hospital.

Socio- economic Zone Trial pilot in Bourke

Future National Parks pay Local Government rates

OUTCOMES

- **Employment**
- **Training**
- **Skills development**
- **Education**
- **Cultural awareness**
- **Tourism**
- **Aged care**
- **Food production**
- **Conservation**
- **Reconciliation**

The Council of The Shire of Bourke

29 Mitchell St, Bourke, N.S.W 2840
P.O. Box 21, Bourke, N.S.W 2840
Telephone (02) 6830 8000 Fax (02) 6872 3030
Email: bourkeshire@bourke.nsw.gov.au
Web: <http://www.bourke.nsw.gov.au>



Please address all
communications to
the General Manager

Our Ref: AL-02-KM-A5.6

OFFICE OF THE MAYOR

22nd October 2008

The Hon. Carmel Tebbutt, MP
Deputy Premier
Parliament House
Macquarie Street
Sydney NSW 2000

Dear Minister

Thank you for the opportunity for the previous Mayor Wayne O'Mally and General Manager Geoff Wise to meet with you on 25th September in relation to the recent transactions involving Toorale Station.

During the conversations you requested that Bourke Shire Council develop a list of proposals to share with you, with the view that you may consider these proposals and assist us to take them to members of the Commonwealth Government. The expected intentions of the proposals are to address some of the social, cultural and economic structural adjustment necessary in the Bourke community to offset the commercial losses influenced by the governments' environmental reforms at Toorale.

Our three special requests are:

- For you to give serious consideration to the potential involvement of the NSW Government with any of these proposals,
- For you to assist Bourke Shire Council in getting access to appropriate Ministers in Canberra, and
- For you to indicate whether you or your delegate is available to join in a meeting between appropriate people in the Commonwealth Government and representatives from the Bourke Shire Council.

Attached please find a submission of our proposals. You will appreciate that these have not been totally developed, but we believe they are all very reasonable and practical. They are consistent with our Shire's ten year Strategic Direction, a copy of which is attached. (Note that this has not been updated since the recent Council elections.)

As the new Mayor I am committed to meet with you and with Commonwealth representatives at the earliest possibility. Wayne O'Mally did not stand for Council re-election, so his official involvement ceased on 29th September.

I appreciate the support you have provided to Bourke Shire Council, and look forward to an ongoing constructive working relationship.

Yours sincerely

Andrew Lewis
Mayor

OFFICE OF THE MAYOR

38 Mitchell St Bourke NSW 2840
Email: mayor@bourke.nsw.gov.au
Web: <http://www.bourke.nsw.gov.au>

Our Ref: AJ 02 ELM-A2.6

23rd October 2008

The Hon. Carmel Tebbutt, MP
Deputy Premier
Parliament House
Macquarie Street
Sydney NSW 2000

Dear Minister

Thank you for the opportunity to meet with you on 22nd September in relation to the recent consultation involving Bourke Shire Council.

During the consultation you requested that Bourke Shire Council develop a list of proposals to share with you with the view that you may consider these proposals and assist us to take them to members of the Commonwealth Government. The expected intention of the proposal was to address some of the social, cultural and economic structural adjustment necessary in the Bourke community to offset the commercial losses incurred by the government's environmental reforms at Bourke.

Our three special requests are:

- For you to give serious consideration to the potential involvement of the NSW Government with any of these proposals.
- For you to assist Bourke Shire Council in getting access to approach to Ministers in Canberra; and
- For you to indicate whether you or your delegate is available to join in a meeting between appropriate people in the Commonwealth Government and representatives from the Bourke Shire Council.

Attached please find a submission of our request. You will appreciate that these proposals have only been developed in a preliminary way and are of very tentative and practical. They are consistent with our long term strategic thinking - a copy of which is attached. (Note that we do not have a formal budget for the next Council year.)

The Council of The Shire of Bourke

29 Mitchell St, Bourke, N.S.W 2840
P.O. Box 21, Bourke, N.S.W 2840
Telephone (02) 6830 8000 Fax (02) 6872 3030
Email: bourkeshire@bourke.nsw.gov.au
Web: <http://www.bourke.nsw.gov.au>



Please address all
communications to
the General Manager

Our Ref: AL-03-KM-A5.5

24th October, 2008

The Hon. Kevin Rudd, MP
Prime Minister
Parliament House
Canberra ACT 2600

Dear Prime Minister

I wish to bring to your attention a recent initiative by your Government in the Bourke Shire, and seek your support for follow up action by your Government.

In particular, I seek an opportunity to meet or discuss with you or your delegate as soon as possible. Preferably this should be before my attendance at your forum "Australian Council for Local Government" for all Mayors across Australia, to allow time for you to consider this submission prior to that forum. Alternatively I will make whatever time is necessary associated with your forum.

Further, I will welcome your direction and support in meeting with appropriate Ministers or their delegates.

Last month, initiatives from within the portfolios of Ministers Wong and Garrett, working in association with the portfolio of the NSW Deputy Premier, combined to implement the water and national reserve scheme reforms by purchasing a renowned rural property in the Bourke Shire called Toorale, for approximately \$24 million.

Sir, the purpose of this approach to you is to clearly state that I am not wishing to comment on your Government's prerogative to implement environmental reforms. However, I am desperately seeking your personal intervention for your Government to simultaneously introduce community structural adjustment strategies to address the social, cultural and economic "bottom line" impacts of your Government's actions to implement environmental reforms within our community.

A few days after the Government purchase of Toorale, Deputy Premier Carmel Tebbutt met with the former Mayor of Bourke Shire Council Cr Wayne O'Mally, together with our General Manager Geoff Wise.

At that meeting, Hon. Tebbutt took interest in a few options for structural adjustment strategies which were briefly mentioned. Hon. Tebbutt requested that our Council develop these further, and submit them to her. Most importantly, Hon. Tebbutt indicated a willingness to work with the Bourke

Shire Council in taking appropriate recommendations to Canberra to explore them further with relevant Ministers of your Government. The goal is to have all three spheres of Government working together for communities in simultaneously delivering complementary environmental, social, cultural and economic reforms.

Prime Minister, the following is a snapshot of a few relevant statistics relating to our Shire.

- A quickly developed assessment of the impacts of the change of land use as a consequence of the Toorale sale indicates that it will result in a net negative loss of at least 10% across the business community of Bourke.
- There will also be at least a \$4.7 million per annum net loss of input costs historically spent in the Shire, excluding any consideration of labour.
- Bourke Shire has had a 25% population decline during between 2001 and 2007. According to the ABS analysis of data for the census period 2001 to 2006, Bourke Shire had the third largest population decline of any shire in Australia, behind two remote or very remote communities in Western Australia.
- This population decline is attributed to the extended drought, the introduction of a 67% reduction in water licences along the Barwon Darling river system by the NSW Government, and a general loss of confidence within community attitudes due to continual shifting of Government agendas.
- 30% of the shire's population is indigenous, and this percentage is growing annually.
- Over 26% of the population is under 15 years old, way above the national average.
- Bourke has above average unemployment levels, and one of the lowest average income levels of any local government areas.
- Bourke has the highest incidence of alcohol related domestic violence and alcohol related hospitalization of any communities in NSW.

Prime Minister, we do not want to be coming to you to seek intervention of any type similar to what has occurred in the Northern Territory, but we are fearful that unless constructive social, cultural and economic structural adjustments are initiated now, such action may eventuate. Certainly the change of land use proposed following the sale of Toorale accentuates the social, cultural and economic concerns within our community.

There is a very strongly held local view that meaningful employment is the best fundamental interventionist strategy for this community.

The suite of packages we have developed should go a long way in providing community structural adjustment to strengthen our community to offset the economic and employment impacts from the sale of Toorale. A couple of these projects will have direct significant employment benefits, whilst others will provide more indirect benefits or social benefits. You will note that applications for two of these projects have been submitted to Infrastructure Australia for consideration.

I have attached a document indicating our vision for a new look Bourke, listing the outcomes and impacts we aim to achieve, and strategies for which we are seeking Government support to implement. This is the same document recently sent to the NSW Deputy Premier in response to her request.

In demonstrating that our Shire is committed to the future, I also attach our Shire's Ten Year Strategic Directions.

Prime Minister, I will be writing to you separately in the near future extending an invitation to you to open the Back O' Bourke Exhibition Centre in the latter part of the first half of next year. This

building complex will be one of Australia's inland tourist icons, and is anticipated to be fundamental to the future cultural and economic prosperity of our community.

I look forward to learning of your willingness for your Government to take a holistic approach to implementation of reform agendas, and an opportunity to explore with you appropriate community based structural adjustment strategies in the Bourke Shire to offset the Government's change of land use of the property Toorale.

Yours sincerely

Andrew Lewis
Mayor

RESOLUTION FROM 2009 SHIRES ASSOCIATION ANNUAL CONFERENCE, SYDNEY

CONFERENCE MOTION NUMBER 73 – submitted by: Broken Hill City Council

***WATER BUYBACK ACROSS THE MURRAY DARLING BASIN**

That the Shires Association of NSW make representation to the Prime Minister and Ministers for Water and Regional Development seeking to have the Australian Government provide restructuring grants on the basis of; for every dollar spent by the Australian Government in water buyback from the Murray Darling Basin, an equivalent dollar should be granted by the Australian Government to the local council in which the water buyback occurred, to allow the Council to determine the most appropriate use of the funds to contribute towards the structural adjustment necessary because of the water buyback.

Further, that such restructuring grants should make provision for Local Government areas and towns and cities (like Broken Hill) not directly affected by the water buyback, but which will be significantly impacted socially and economically by the program.

Background

- The Commonwealth Government is implementing two programs which have major negative flow-on effects for the socio-economic consequences of rural communities.
- These programs are:
 - The water buy back scheme across the Murray Darling Basin, under the portfolio of Hon Penny Wong, and
 - The National Reserve Scheme, under the portfolio of Hon Peter Garrett.
- The NSW Government continues to implement its program of expanding the areas of land converted to national parks, under the portfolio of Deputy Premier Tebbutt, which also have major negative flow-on effects for the socio-economic consequences of rural communities.
- According to the NSW Deputy Premier, these three programs have been combined for the \$24 million purchase of the 91,000Ha property, Toorale, in the Bourke district.
- The annual input costs for the pastoral and irrigation enterprises on Toorale have been estimated to be at least \$4.7 million, excluding labour. Whilst it is questioned how much extra labour National Parks and Wildlife Services may employ to service Toorale, or whether this labour will compensate to any degree the labour inputs by the previous owner for its commercial operations, there is no evidence that the national park will be able to replace these \$4.7 million non labour input costs on an annual recurring basis.
- The Business owners in Bourke estimate that this decommissioning of the commercial enterprises on Toorale will result in at least a 10% net impact on the economy of Bourke.
- There is no evidence to suggest that either the Commonwealth or State Governments have given consideration to their comprehensive social and economic responsibilities whilst making opportunist decisions for environmental change.