

**Submission
No 51**

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

Organisation: Cowra Shire Council

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The Director
Standing Committee on State Development
Legislative Council, Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Director

Re: Inquiry into Economic and Social Development in Central Western NSW

Thank you for the opportunity to make a submission to the Inquiry into Economic and Social Development in Central Western NSW.

There are a number of general issues that relate to economic and social development throughout the central west, many of these issues have already been identified in the submission prepared by Centroc and will not be re-visited in this submission. This paper addresses issues and opportunities relating specifically to the Cowra Shire Local Government Area.

Transport - Road

The current road crossings over the Blue Mountains have, for some time, been seen as an impediment to the economic and social development of the Central West. The Great Western Highway passes through a number of residential areas and has, as a result, large sections where the maximum speed limited is restricted. The alternate route, via the Bells Line of Road, is narrow, has numerous speed restrictions, is a limited B-double route and is generally seen as being incapable of meeting the demands of heavy road transport. However, whilst strongly supporting the bulk upgrading of the western road option, from a Cowra perspective, a concentration on these road routes only does not place full value on other transport options for this area.

One issue that takes a back seat to an improved road route over the Blue Mountains to Sydney is the condition of the Lachlan Valley Way, a north-south route from Cowra and the Central West to the Hume Highway at Yass. This route gives an alternate traffic option to Sydney via the Hume Highway and via the Barton Highway to Canberra. It is also the most logical road traffic route between the Central West and South Coast.

Canberra, with a population of 350,000, offers significant tourism and business opportunities for the entire Central West. Traffic from the South Coast of NSW, travelling to the western areas, logically funnels through Canberra and Queanbeyan to the Central West via the Olympic Highway or Lachlan Valley Way. From Cowra this traffic continues north to

connect with the Newell or Mitchell Highways, both offering alternate inland routes to Queensland, or east and west on the Mid-Western Highway.

An improvement to the narrow Lachlan Valley Way, from its junction with the Hume Highway near Yass to Cowra, would improve traffic flow, decrease transit times and make that route generally more attractive as an alternate route to and from the central west.

Local road infrastructure in Cowra Shire is well maintained and is capable of meeting existing and expanded requirements road freight and passenger requirements.

Transport - Rail

Reopening of the cross-country rail line between Blayney (located on the main Sydney - Perth rail line) and Demondrille (near Harden on the main Sydney - Melbourne route) is currently under consideration by a NSW Transport task force which comprises the five councils of Harden, Cowra, Blayney, Weddin and Young. This is seen as an essential freight transport corridor and a future economic development benefit to the region. While a working party recently identified 1.5 million tonnes of freight for these lines, potential exists for up to 20 million tonnes per annum over the next 20 years. Likewise the completion of the Maldon-Dombarton line would cater for expanding rail freight (particularly ore to Port Kembla) and ease congestion within the Sydney rail network.

While re-opening rail lines may be seen as visionary and proactive by government, it is seen as essential to continued rural economic development. A example of the value of re-opening disused rail lines recently occurred in Victoria where the cross-country line from Toolamba (near Shepparton) to Echuca was re-activated to carry freight diverted from the main Goulburn Valley line due to track damage. In many respects the Toolamba to Echuca line is similar to the Blayney - Demondrille route. Both are regional and state assets that offer an alternate rail route between major population centres in the event of a derailment, track damage or increased freight requirements. (*Railway Digest - September 2011.*)

Another alternative that does not appear to have been fully investigated by rail regulators is the take-over of disused lines by and for the use of private locally based operators. Such an approach has long been championed in the North America where today there are more than 500 short line and regional freight railroads. These small businesses have carved out specialized niches within the overall U.S. rail network (and now Canada, too). The short line and regional railroads have a long, proud history of being scrappy competitors and service-focused innovators in the railroad business. In many cases they have found a way to succeed where others have failed, and have saved thousands of miles of rail lines that were near abandonment.

Perhaps this method of retaining and utilising rail infrastructure should be investigated throughout NSW and particularly in the Central West where many disused lines have the potential for intensive use during the grain harvest period.

Transport - Air

Air transport and business is set to boom in the Central West in the near future. The current demand for land at Cowra Airport by aircraft manufacturers and pilot training has been created by an overburdened Bankstown Airport. Delays of up to 40 minutes for departures to the training area and much better flying weather and conditions in the Central West have started to have this positive effect on aviation development. Cowra Council has already started to embrace these trends, recently finalising a Master Plan for the Cowra Airport to guide future growth and development at the facility.

To assist this growth aviation infrastructure needs to be developed, with assistance given to airport operators to reseal runways and develop aviation precincts.

Water Security

This is not seen by Cowra as a major impediment to economic development. The capacity of Wyangala Dam is 1.438 gigalitres which, when properly managed, is sufficient to cater for significant growth in towns along the Lachlan River such as Cowra, Forbes and Condobolin. Cowra maintains a relatively high level of water security with two primary sources: surface water from the Lachlan River (controlled by Wyangala Dam) and Lake Rowlands. Each source has a different rainfall catchment which reduces overall vulnerability. In August 2007, \$2.25 million was granted to Council to assist in the construction of 33km pipeline between Cowra and Woodstock to connect to the Central Tablelands Water Supply Network. This is a significantly important project as it will allow for the mutual transfer of water between the two water supply authorities should it be required.

There is also significant extra capacity in relation to Cowra's allocated water entitlement, which is capped at 5,000 megalitres per annum. In recent the annual water usage for Cowra Shire has been: 2006/7 – 2,338 megalitres, 2007/8 – 2,066 megalitres, 2008/9 – 2,490 megalitres and 2009/10 – 2,359 megalitres.

Cowra Shire Council has identified the importance in developing sewerage infrastructure with \$10 million invested by Council in the recently completed Sewerage Treatment Plant. The new plant has significant extra capacity to cater for expansion and development in the Shire, from the current 8000 EP (equivalent persons) to 14,000 EP.

Telecommunications

Cowra has seen the emergence of new industries that rely heavily on high-speed telecommunications. Race Dental has established a new high-tech facility in Woodstock that manufactures dental prosthesis using robotics. The business is predicated on the fibre-optic communications line that runs past the factory. Likewise the Lachlan River Studios, a film production company that is developing in Cowra, utilises fibre-optics technology that runs past the door. Priority needs to be given to rural areas during the rollout of the NBN infrastructure to ensure that businesses that rely heavily on high-speed communication are not disadvantaged by their location.

Cowra, along with all regional centres, requires a timetable detailing the planned roll-out of the NBN. Any investor or business that requires high-speed communication must have some assurance as to when that form of communication will be available. This confidence can only come from a detailed timetable. Such a timetable will enable any potential investor or new business to plan interim measures prior to the arrival of the NBN.

Electricity Supply

In recent years at least three Cowra businesses have experienced problems in relation to access to sufficient power supply to meet their operational requirements. Insufficient power resources represent a bottleneck for both industry and manufacturing growth. It is a major disincentive for any developing business to find that existing power is not sufficient to meet their requirements or that they are required to update existing public infrastructure in order to trade.

Clearly it is the responsibility of government to maintain the existing electrical grid and to plan for supply upgrades to meet increased demand both from residential and commercial users at an affordable price. With such developments in mind it is prudent that an audit be undertaken of the existing grid to determine on-going maintenance requirements and to plan for and fund further expansion.

Education

Educational opportunities within the town are not seen as impediments to economic development. Cowra is well catered for by facilities that offer education from pre-school to senior high school level. There is a special school for students with learning disabilities and a large TAFE campus offering vocational education opportunities. Cowra is well placed to meet the needs of an increasing population with local schools possessing a known capacity to increase student numbers within their existing infrastructure.

However, given the lack of other tertiary institutions in Cowra, the local TAFE college is essential to our community offering, as it does, vocational and trade qualifications to students who may wish to remain in Cowra and not pursue a university degree at a larger centre. It is essential to Cowra that funding for TAFE places be maintained to keep this valuable educational resource within the local community.

Health

Health is not seen as an immediate impediment to economic development in Cowra although there are some areas that do give cause for concern. Given the town's size it is well catered for with up-to date medical facilities. There are currently sufficient doctors and dentists to service the community plus regular visits by specialists. However, there is some concern among members of the medical fraternity concerning the sustainability of the existing number of health professionals.

The district hospital offers both in and out-patient services. The current hospital was opened in 1958 and, after 53 years, is nearing replacement. It is essential that a formal timeframe is established for a review of the facility and a date established for its ultimate replacement.

Cowra's retirement accommodation is sufficient to meet demand while local agencies, such as the Cowra Special Needs Service and the Cowra Neighbourhood Centre, offer assistance to the elderly and disabled.

Food Security

Food security is defined as access at all times to sufficient food for an active and healthy life. (Kendall A, Kennedy E. Position of the American Dietetic Association, 1998, 98:337-342).

The issue of food security is one that has already been raised in relation to the city of Sydney. As the Sydney suburban area increases there is a constant demand on available space. This demand continues to impinge on the amount of land set aside for rural production in the Sydney basin.

A 2009 Senate Inquiry into Food Production in Australia received a number of submissions detailing this emerging problem. In a Sydney Morning Herald article dated 16 May 2010, entitled *Sprawl eating us out of house and homes*, ten western Sydney councils condemned the federal government for *"The failure to take seriously the need for long-term agricultural land in the Sydney basin will have disastrous consequences for our food supply."*

The rural areas of Cowra Shire include some of the most productive and secure farming enterprises in NSW. The Cowra Shire economy and employment base is largely depended on agriculture. Cowra's secondary business, service and transport sectors are in inextricably linked to the production power of the Shire's agricultural land base. The importance of protecting the Shire's agricultural resource for food security has been a key feature of Council's planning for rural lands.

Cowra, as an established primary production area, would also be an ideal location for the establishment of a Food Security Precinct. Its proximity to Sydney (4 hours), Canberra (2 hours) and Dubbo (2 hours) means that it is centrally located to act as a collection, processing and distribution site for food products. Good road and rail access would promise development as a transport hub while the availability of water and electricity with excess capacity would cater for further development potential.

Council has long term strategies in place to ensure that sufficient land stocks will be available to meet the ever changing needs of a changing industrial sector. A total of 87 hectares of additional industrial zoned land is proposed to be provided within the Cowra Township, which is approximately double the amount of land required to meet projected demand. The location of this industrial land is constraint free, serviceable, accessible to regional highway systems and is suitable to accommodate a broad range of industrial uses, including food processing and rural manufacturing industries. The Township is also well positioned to accommodate growth in the residential sectors where this growth coincides with new industrial activity in the region.

An example of a developing food security precinct exists in Western Australia where a *South West Food Processing Precinct* has been established on a 657 hectare site located approximately 2.5 km south east of Burekup. The aim of the site is not to intensively farm in a small area but rather to encourage rural manufacturing industries to come together in a

centralised location to capitalise on savings to be made through the use of shared infrastructure and resources.

A modern agricultural and food processing precinct will not only provide business development and employment opportunities for the regional food processing sector, but will also help to build food security throughout the state as it meets the needs of a growing population.

It is unlikely that a private developer would have sufficient resources to establish a precinct in the Central West. Bearing this in mind it would be necessary to seek grant funding or direct State or Federal government support to kick-start the project which would add substantially to economic development in Cowra and the surrounding area.

Once again thank you for the opportunity to make this submission to the Inquiry. I would welcome the opportunity to meet with you to discuss the items raised in more detail.

Yours faithfully

Cr Bill West
Mayor