

**Submission  
No 51**

## **INQUIRY INTO WATER AUGMENTATION**

**Organisation:** Broken Hill Chamber of Commerce

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The Broken Hill Chamber of Commerce welcomes the opportunity to place a submission to this inquiry. The Broken Hill Chamber of Commerce is the peak body representing business in the Far West of New South Wales.

Water is a scarce commodity which is highly regarded in the Far West of the state of New South Wales. Used to the peaks and troughs of the drought cycles, the people who live in the area are aware of the aridity of the climate and landscape and the importance of managing the resource effectively.

The Far West is inhabited by people who are resilient and strong, safe in the knowledge that they need to use their own resourcefulness rather than rely on state and federal governments or federally based entities.

This resourcefulness has long been a factor in the history of the area. The pioneers in mining and grazing found great wealth in the natural resources of the area despite the tough conditions. The wealth created from mining founded Australia's largest mining company BHP and helped the state become what we have today, a place of great wealth and innovation.

In Broken Hill's mid history, the strength of the union movement realised success in changing the unsafe and unfair working conditions for those in the mining and other industry, again changing Australia in the process. This has traditionally been a region of great strength and confidence in the residents and businesses.

In recent years, Broken Hill has been awarded the title of Australia's First Heritage Listed City. This award reflects the cultural importance of this incredible place and its people and reflects its importance in the national psyche.

The Far West is a community affected by boom and bust cycles related predominantly by mining and related industries and cycles of weather which affect our graziers. The consumer base of Broken Hill has learned to react with extreme frugality in times of scarcity, having a detrimental effect on local business. For many decades news of retrenchments in the mines has manifest in the business community as a steep decline in custom from local people. The effects of bad news reaching far beyond those immediately affected. Retaining personal resources has become a coping mechanism- a factor for which consumers can maintain a sense of control. The draining of Menindee Lake and the accompanying narrative from agencies and others in leadership has ensured that Broken Hill and far western businesses have felt the same withdrawal of shopping and event attendance behaviours as when a major redundancy event occurs.

The draining of the Menindee Lakes System during a short period of several weeks in recent years created a new circumstance that we had not seen previously. The water was drained to satisfy part of the agreement that the Murray darling Basin has to provide environmental flows to South Australia. At the time, the local dialogue from residents expresses concern that this precious commodity was being used to flush the Murray mouth and the country was experiencing dry times. We were to learn that the river was also being held upstream more than ever before to meet industry needs.

It became apparent that the lakes were not to be used in their traditional manner into the future. DPI water staff and the minister for water attended a public forum to talk through the changes that were to occur in the usage of the Menindee Lakes System. Unfortunately, very few certainties were expressed at this meeting and business requires certainty to plan for growth based futures.

Representations to the Office of Small Business from Chamber staff and board members arguing the case for small business support in the area and news of some certainty have not resulted in any program or specialist support, even though the minister for regional development has stated in correspondence that there will “continue to be recreational opportunities at Menindee Lakes”. The Energise Enterprise fund was suggested as a possible means of support.

The deputy director of DPI Water has been in Broken Hill regularly and was recently interviewed on ABC local radio. On the day the interview was to be played a “grab” was played on the 6.30am news in which Mr Hanlon stated words to the effect that the NSW government was not in the business of telling business owners if their businesses were sustainable or not. On the 7.30am news ‘grab” he said that with the changes slated for the Menindee lakes Scheme, he expected that the graziers on the lower darling could actually have access to more reliable sources of water as more water would enter the Darling system. There appears to be little consideration of the business and local community listening to this information and trying to make long term decisions for their business future.

One industry extremely detrimentally affected has been tourism. When DPI Water makes announcements about water releases or blue green algal blooms, the tourism operators noted that their customers often extrapolate their own ideas from that base information. Many operators at Menindee particularly were having bookings cancelled even though water was available for recreation at Copi Hollow. The local tourism body, an extremely small organisation, does not have the human resources or funds to counteract the constantly detrimental public announcements always detailing events seen as counterproductive to tourism visitation.

Tourism in the Far West has been in a state of flux for several years. In recent years the Broken Hill City Council announced that it would no longer be managing tourism in Broken Hill and engaged RDA Far West to facilitate a consultation process whereby a new regional tourism body could be formed. After some time and consultations which engaged a large number of local people, the new regional body Destination Far West was formed. This body was closely related to Destination NSW and its subsidiary body Inland NSW and had a steering group made up of local people from both the community and tourism businesses was formed. The Chamber of Commerce was represented on this steering committee.

Destination Far West was launched one year ago and has since been caught up in the failure of Destination NSW to secure funding for Inland NSW (under which Destination Far West is a dependent body). Inland NSW is now in receivership and the future of Destination Far West extremely uncertain. Upon analysis of the timeline of the launch for Destination NSW, it seems that the lack of funding for Inland NSW was already apparent when membership subscriptions were being sought from business in the Far West. This has created further mistrust of any quasi autonomous organisation charged with promotion and planning of tourism activities in the Far West region.

Pastoral (including grazing and cropping) businesses in the lower darling and the townships of Menindee, Wilcannia and Pooncarie have been hardest hit. With no certainty and no specialist programs or support to help transition them into business models requiring less water in operations, there have been businesses unable to survive and who have had to shed jobs.

In conclusion, the businesses of the Far West have not been well served during this unsteady time. There has been a distinct lack of timely information, and no certainty guaranteed that the water

supply and usage issues will be resolved in the interests of keeping Far West businesses and community stability and growth as major goals.

DPI water has a narrow focus to distribute information of changes in water management as they are taking place, regardless of the perceived effects on the buying public. With a grossly underfunded tourism entity without any connections within government is tasked with providing positive information it has been all too easy for the negative to be all pervasive.

The Office of Small Business has not acted on the unique issues of the business entities of the region when they have been informed. There has been no support or funding available which acknowledges the disaster befalling the region as the water disappeared.

The organisation of a regional tourism body has been particularly detrimental to the businesses of the Far West. Destination Far West was pitched as an unknown entity with an unknown agenda but still supported by business in the region, desperate for the formation of a body to help co-ordinate and promote tourism in a co-ordinated fashion. This has been another disappointment which has left business owners feeling unsupported.