

REPORT OF PROCEEDINGS BEFORE

STANDING COMMITTEE ON STATE DEVELOPMENT

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

At Broken Hill on 4 November 2011

The Committee met at 9.30 a.m.

PRESENT

The Hon. R. H. Colless (Chair)
The Hon. S. MacDonald
The Hon. Dr P. R. Phelps
The Hon. M. S. Veitch
The Hon. S. J. R. Whan

LINDA PATRICIA NADGE, Chief Executive Officer, Regional Development Australia Far West, and

JOHN DOUGLAS HARRIS, Regional Development Australia Far West, sworn and examined:

CHAIR: Are you conversant with the terms of reference of this inquiry?

Ms NADGE: Yes.

Mr HARRIS: Yes, I am.

CHAIR: If you should consider at any stage that certain evidence you wish to give, or documents you may wish to tender, should be heard or seen only by the Committee please indicate that and we will see that those documents or that evidence is given in camera. Would one or both of you like to make a short opening statement?

Mr HARRIS: I have prepared an opening statement that I would like to make. Firstly, I acknowledge the traditional owners of this land and also the Elders, past and present. Committee Chair, the Hon. Rick Colless and the honourable Committee members, welcome to Broken Hill and Far West New South Wales. Thank you for taking the time to visit the region. Regional development in Australia's Far West has been prolific in providing feedback to governments in the last few years and we welcome the opportunity to do so again today. Over the last few decades economic and social development in Far West New South Wales has been patchy. It has been at the mercy of external factors, most of them beyond our control. Mining and agriculture used to be our two strongest sectors for employment. According to the 2006 census, in recent decades that element has been reduced, with more people employed in health care and retail. We wonder what the 2011 census will reveal.

Within the wider economies of some of our small towns economic prosperity and population growth have been linked to removal of government services such as road and rail maintenance schemes. In 2010 Regional Development Australia Far West and the Far West New South Wales community at large endorsed strategies to diversify the economy whilst at the same time confirming support for mining and agriculture. Ongoing support for existing mining and agriculture projects involves infrastructure and social service improvements. Ecotourism and creative industries are our chosen economic sectors for diversification. They have a great strategic fit within our current natural and economic environment. We know that they could prosper with high energy involvement of our youth and relatively little capital up front. These industries will enhance the capacity of the Far West New South Wales region to generate alternative income during future economic downturns in either mining or agriculture. The two critical success factors for these alternative industries are the National Broadband Network, the NBN, and the successful listing of a Ramsar site at Menindee Lakes.

These two initiatives will help create a future framework for investment in tourism and the arts sector. I note with interest the broad-reaching terms of reference of the inquiry into the factors that restrict economic and social development in the region. Some overarching messages from the Regional Development Australia Far West submission in response to the terms are: putting infrastructure and economic frameworks in place, and empowerment and self-determination. We understand that the influence of globalisation and increased competition is strengthening: we need to improve our resilience to stay in the game. That is the goal of our regional strategies. We must also ensure that we take actions that include all of our region's people, including the business community, our youth, our elderly, our Indigenous people and our long-term unemployed people. Too often we focus on what business needs. We hope that the Committee can see that through the regional planning of 2010 and 2011 our local strategies are truly about economic and social development within a natural environment that is sensitive to climatic extremes.

CHAIR: Would you like to add anything to that opening statement, Ms Nadge?

Ms NADGE: No.

The Hon. MICK VEITCH: An issue that has been raised in a number of the forums and a number of submissions is population modelling. Government departments use the ABS figures to model forward projections. A number of submissions have said that has proven detrimental to service delivery in their communities. How has population modelling affected the Regional Development Australia Far West region and is there a better way of planning service delivery other than using the public service modelling?

Ms NADGE: I am not too familiar with the detail of how the modelling is done but I do know anecdotally that a lot of the services and infrastructure provided in the last 10, 20 or 30 years has been the result of downsizing based on modelling. For example, I have heard people talk about Broken Hill Hospital, which should be a bit bigger than it really is, and maybe the same for some schools or for other services. In terms of how there could be improvements in future projections, I think the engagement of more of the local people would be the best option—instead of going to data, come back out to the people and talk to the people.

Mr HARRIS: I would like to add something there. I do not think there is anything wrong with modelling per se. I think it is the assumptions or the thinking that informs that modelling. Just to take the hospital example, it seemed back when the decision was made about the hospital there had been a number of years of declining population. The model was simply based on looking in the rear view mirror and projecting forward in the same line. That was a model, and it was a view, and it was probably seen to be a fairly conservative model at the time. But reality has turned out a little bit differently. The decision that has been made has resulted in something that has been a little bit less than what we need. We struggle with the number of beds and particularly the aged care component. The number of aged care beds we have got means there is a significant number of aged care patients who are occupying beds in our hospital.

The decision for the size of that hospital was based on modelling. I personally believe we do need modelling but I am not quite sure how we can prove that—whether we have a look at different scenarios. I do not know too much about that process. One of the skills councillors working closely with one of the skills councils in the region has informed me that within the 11 or 12 skills councils that exist in the country at a Federal level the bulk of the modelling projections are made on continuing the trends of the last little while. However, within his sector, which is SkillsDMC, they have got a model called a skills maximiser, which they use to put into businesses within the industry. They get them to enter their workforce profile into that and then project forward on ages and natural attrition. In that particular industry they have got certain assumptions in there which enables them to be far more grounded in their modelling. I certainly believe we need modelling, but I do not think it should be just a projection of the past.

The Hon. MICK VEITCH: My second question relates to the population base of the local government areas here and their rate base capacity, whether it is sufficient or not to sustain their maintenance, let alone new infrastructure. If rate capping is removed is the population base large enough to sustain those local government area activities?

Ms NADGE: I do not believe so. We have spoken with the councils about population and I see on the agenda you are talking to two of the councils out here. They will no doubt tell you that their rates bases have been dwindling and have been dwindling for some time. The conversations I have had with them in my present working capacity are about what can possibly be done to help recover the money needed to provide services. Quite often in the past the answer to that has been to seek more grant funding, seek more government funding. There is a capacity to pay that people have reached. I do not think that the people can pay too much more.

The Hon. MICK VEITCH: You mean capacity in regard to rates?

Ms NADGE: Rates, yes. What has not been explored has been sharing of services and efficiencies that can be gained through merging different operations—sharing plant, sharing resources. They are the sorts of things that perhaps down the track the councils may like to explore.

The Hon. MICK VEITCH: May I ask then—Mr Harris, you may want to comment too—what is the alternative funding model or funding arrangement for local government in western New South Wales?

Mr HARRIS: I am not sure I want to limit my comments to just local government but I will certainly address the funding model. My observation is that most of the funding that comes from government comes down within the departments of government—whether you are talking Federal or State. You have got the different departments or agencies or services which they describe in terms of silos. So you have everybody rolling out funding in a fragmented way coming down in could be any number of streams. Then the normal way of accessing those is for the community and out here the communities particularly outside Broken Hill are very small. When they need, in their own head, to compartmentalise their community into the different funding streams to come down and they see it as a whole rather than 100 little parts. So the funding stream coming down into, just the model in my view is that there needs to be some capacity to breach the holistic nature of community with the segmented nature of government operation.

The Hon. STEVE WHAN: Back in 2007 there was a growth and investment strategy for the far west region, which I have here. Is that still current? I note one of the comments in your document was about a lack of go-to people from government. Can you tell me whether that strategy is still current and whether one of the problems with go-to people in government has been getting government to focus on working with the strategy? How can we improve that?

Ms NADGE: The purpose of putting those comments was simply because many of our stakeholders in the region have noted that there has been a loss of government representatives in the region. At times when they need their representatives—I believe you are talking with the pastoralists later—they are generally shunted off already or relocated to another part of the country. The strategy that you referenced in 2007 was pre the global financial crisis [GFC]. It probably was started in 2006 and it is not relevant in terms of its fantastic outlook right now. We are in the process of updating that document and it is due any time now. So we will send that to you. It will be a public document. We feel that the outlook, the projections, are good, but as Mr Harris said in the opening statement there is a lot happening in the external environment that is beyond our control, which needs to be remembered. The purpose of mentioning a go-to entity is that in the past this region had what they called an outback development forum, which assisted with mainly things like employment skills attraction, retention and skills development and focussed on finding solutions for employers, particularly in the mining industry.

This is all pre GFC. That particular forum was very successful. Of course, everything happened afterwards, as we know, and where we seem to have found ourselves now is possibly on the cusp of a mini boom. This is a mining province. We are on the cusp of a lot of projected developments but they are indicating to me that they have issues getting through the bureaucracy red tape and this is all of the ones I have spoken to, most of the mining industry representatives. So the go-to entities, like a mix of government and commercial people who can work through these issues. Of course, the other thing that is fundamental to the region is understanding where this region comes out in terms of its strategic position in the country down the track. Does the centre of gravity move further south? Does it go east, west? Where does it go? Decisions that are made probably in the next couple of years will influence that direction.

The Hon. STEVE WHAN: Do you still have a Premier's department coordinator who works to bring together different departments around the area? Is there a need for more coordination of government interaction?

Ms NADGE: No, we do not have one of those persons.

Mr HARRIS: Not locally. In Dubbo, I think.

The Hon. STEVE WHAN: As an aside, when we came out and did one of these things a few years ago we got to town and someone said, "Why are you bothering? We have our strategy. Just include it in your report." That is why I raise it again. You also made a point about the creative industries development. Last time I was out here I heard a lot about a film studio development. What sort of things can government do to help secure the users of that facility? Are there ways we can assist with that?

Ms NADGE: Probably the most critical thing that the film studio needs right now—actually there are two things. One is money to complete the project, and it would be fabulous to get government support for that. It is a no-brainer. The second thing is the NBN. If you drive past the studio you will see the internet connection is a cable dangling off a pole. That is a reality out here. The connection is an important part of such an industry and it is just not good enough for a world-class studio.

The Hon. STEVE WHAN: I think in your submission or somewhere it mentions that you believe Broken Hill should be prioritised on the NBN. What sort of feedback have you received about where Broken Hill is on the rollout?

Ms NADGE: We have had no promises from NBN Co. They are sympathetic. We had the NBN joint committee hearing out here earlier in July. I guess at least we are kind of on the radar but we do not appear to be getting anywhere higher up a list, that anyone is telling us anyway.

Mr HARRIS: I have a comment on the growth and investment strategy, not so much the content but the structure. The growth and investment strategy document was a major document and then there are the plans to have upgrades or updates every six to nine months. So they have been happening. Even though the detail of the document is out of date, it needs to be significantly revamped, certainly city council sees that as a major

document and I believe Regional Development Australia [RDA] as well when it was formed back in the ADF days. That is when we had the outback consultative committee and the regional development board and it was a unifying document. I think it still has the potential to be the major document. I think it is the single economic strategy document, to go with RDA. RDA and city council, with the Central Darling shire, seem to be the main organisations that need to be driving it.

The Hon. STEVE WHAN: Another thing I noticed in your submission was the comment about the difficulty of getting funding for the unincorporated areas, particularly with some programs. I thought it was emergency or disaster programs. Can you elaborate on that?

Ms NADGE: We were advised by one of the representatives from the emergency services that there are interpretations in the fine print of applications. For example, the eligibility criteria may say "local government" but if you are not in the local government area you could be deemed ineligible. A lot of the area is unincorporated area and that was the purpose of that comment.

The Hon. STEVE WHAN: So it is probably something as simple as somebody reviewing the criteria?

Ms NADGE: Yes.

The Hon. STEVE WHAN: Has that feedback been sent formally into any of those?

Ms NADGE: Yes. The fellow who did make that comment in our submission has advised. Generally it is just a problem they face constantly. It is something that frustrates them. They work very hard to get over it every time. They eventually get there but it is just a no-brainer again that should be sorted.

The Hon. STEVE WHAN: Are there specific examples of things which have not been able to be done because of that?

Ms NADGE: I do not have any examples, no.

The Hon. STEVE WHAN: The Hon. Mick Veitch talked before about the viability of councils and things like that. I notice there has been a bit of discussion about expansion of the unincorporated areas. How do you look on that overall as a proposal?

Ms NADGE: Personally I think it makes sense. This is me speaking as an individual, as someone who pays rates and somebody who can observe what is happening in the region. I do not think the RDA has formed a view on it, but Mr Harris may like to comment.

Mr HARRIS: I am not really sure of the implications of how it works. I just know that in the Central Darling shire the amount of roads, for example, that they need to look after—I think they have 2,000, maybe 2,500 people—it is crazy to expect the shire to be able to look after all of that. If they were to become part of the unincorporated area that would mean better access to dollars for roads, for example, and I think that would be a good thing.

The Hon. STEVE WHAN: Have you seen that that is the case? Are the roads in the unincorporated area, for instance after heavy rain and damage, upgraded more quickly than the ones in the Central Darling shire? Is there some basis for that or are we just putting our faith in government to do it better?

Mr HARRIS: No, I have no evidence. I guess I am thinking about the roads that are sealed and the highway to Tibooburra. It has been a long time—I do not know exactly how far it is done now, maybe three-quarters or something. Central Darling shire has been able to pay to seal some of their roads but there is still a large number that are unsealed.

Ms NADGE: In terms of the speed of upgraded roads, from observation, the more widespread the event, the worse it is, and that is anywhere.

The Hon. STEVE WHAN: Of course, yes. I guess my interest is whether or not there is a difference. I know Central Darling shire has had a huge challenge in the past few years with flooding and roads. It has been a big job for them. I had not heard feedback on how the unincorporated areas have gone with the same challenge.

Ms NADGE: I had a little bit of feedback from the people in Tibooburra earlier this week. They normally would speak on a regular basis with the RTA, for example, and they had not had any meetings this year.

The Hon. Dr PETER PHELPS: A question I will ask is the one I have asked all regional development Australia agencies that have appeared before us. Where do you see the far western region being in 20 years time? Thriving? Surviving? Declining? What is the basis for your assessment?

Ms NADGE: I definitely see it as thriving but there is a point—and it is this point in time right now—where a little bit of support is needed. There is definitely some mineral work that will happen. That is a given. It is a no-brainer.

The Hon. Dr PETER PHELPS: It is fairly significant, as I understand it.

Ms NADGE: Very significant, and as I said earlier there are some key decisions that could be made in the next few years that will influence the centre of gravity of the development in the region and for the State, whether it is over the border, whether it is within the State.

The Hon. Dr PETER PHELPS: What sort of things will guarantee that boom? Are you talking about additional infrastructure? You mentioned earlier that we were on the cusp of a boom but for red tape. Can you elaborate on that?

Ms NADGE: In our region we have dedicated miners and exploration companies that are not of the blue chip calibre. They are junior to medium size companies. They do not have all the resources that you may have in a Collins Street, Melbourne, office or wherever they are located. They have to do a lot of the legwork themselves. They generally cannot deploy all the resources to solve all their problems. They also have mentioned higher costs to access existing infrastructure, whether it be transmission or water resources. For example, without mentioning a name but one of the companies in the region at the moment is beside itself whether it will go rail, road, pipeline to which port. Will it be in South Australia, Victoria or New South Wales? All of the issues that they are facing right now are quite strategic but they do not have that resource or that backing that larger companies do.

The Hon. Dr PETER PHELPS: I think that is more of a commercial problem.

Ms NADGE: To a degree—

The Hon. Dr PETER PHELPS: I am very weary about government interfering in commercial decisions.

Ms NADGE: To a degree but the red tape that has been explained is to do with delays in approvals.

The Hon. Dr PETER PHELPS: Through planning?

Ms NADGE: Yes.

The Hon. Dr PETER PHELPS: That is a repeated theme which we have heard.

CHAIR: I take this opportunity to welcome the member for Murray-Darling, My John Williams, to the hearing.

The Hon. Dr PETER PHELPS: Additionally, one of the things we have found in our travels is the dangers of being an economic monoculture. That is, when you are all mining or you are all agriculture you are throwing all your eggs into one basket. I am particularly interested in tourism for this region. Where do you see tourism going and what do you see as key things that the Government could be doing to promote tourism in this region?

Ms NADGE: Again Mr Harris may like to add to this but we see some of the foundation changes that could be made in this region related to two or three simple things. They do not cost a lot of money.

The Hon. Dr PETER PHELPS: I like that sound.

Ms NADGE: They open up the opportunity for business or for market participants to come and invest. One of them is the Ramsar listing at Menindee Lakes. That is an obvious attraction that could be linked with other Ramsar sites around Australia and packaged similar to the way tourism is packaged in Africa—less the wild animals. But things like bird watching, kayaking and other outdoor water sports plus nature and Indigenous attractions.

The other one, as we said earlier, it does require a little bit of money but it will grow on its own through the strength of the existing and future inputs and that is the film studio and the creative industries. Again doing whatever we can to be up higher on the National Broadband Network—it is a national agenda but it is something that would facilitate a lot of increased market participation in this area.

The Hon. Dr PETER PHELPS: What about the general promotion of tourism? You have promotion of tourism for traditional things like the Great Barrier Reef, Ayres Rock, and the Sydney Opera House. Do you think it is time for a reprioritisation of those sorts of things that are already known to the area, such as Mungo National Park, or the outback experience with Broken Hill as a hub, or Tibooburra, or White Cliffs and things like that—sort of get off the touristy track to a real Australia?

Ms NADGE: Definitely. One of the publicans in Tibooburra has indicated that tourism normally is almost a \$2 million income for that region and without the road it takes that away. We know that people are keen to come to this region. It is different. It is unique. You cannot get the Broken Hill experience or the outback New South Wales experience in another part of the country for sure. So changing the emphasis would be beneficial and I am sure the council will talk further about that.

The Hon. SCOT MacDONALD: I must admit I am a little bit nervous to hear Menindee Lakes as a Ramsar wetland when you have got significant horticulture out there. Would that not be a conflict?

Ms NADGE: No, it is not a conflict at all. The way we have viewed it is that it is one more layer. They are naturally occurring lakes. Yes, they are used as water storage and they serve other purposes, but there is room for tourism in a dedicated area where there is already evidence of flora and fauna that fits the criteria. We feel it is a very simple marriage.

The Hon. SCOT MacDONALD: But would you not have someone in Canberra saying to you that what happens is that the social and the economic priorities slip below the environmental priorities, so there needs to be environmental flow or environmental storage, for example, and that could mean a compromise for the person trying to grow their watermelons or table grapes?

Ms NADGE: No, I do not believe the horticulture area will be necessarily affected. I think when there is no water there is no water and people in that region have lived without the lakes with water, up until they filled again, for about eight years out of the last 10 years. The water licences are just another layer. They exist for the existing businesses anyway. There is no difference to any other Ramsar site or any other extraction purpose really anywhere else.

CHAIR: Ms Nadge, your comments a few moments ago about this area being a mining province, are you aware of the Hawson iron ore project?

Ms NADGE: Yes.

CHAIR: What is the impact of that particular project going to be on the economic activity of this region?

Ms NADGE: It will be quite significant and is probably the basis for the comment I made earlier about a thriving future in 20 years. That project, combined with several others in the region, extends the mining wealth for 50 to up to 100 years.

The Hon. Dr PETER PHELPS: Can I just take up on that. One of the things which we have noted in other areas is mining has come in and it has been great but there has been lack of capacity within the townships to deal with it. What is the capacity for Broken Hill to absorb that sort of new mining industry? Is there excess capacity in the town which has been left unused since the closure of the main mines here?

Ms NADGE: In a former life I worked in a mining company as the commercial manager so I can suggest that market participants will come to a region when there is an opportunity. So the contractors that support mines will come if there is a deficiency for them, for example. I think the council will probably give evidence that there is a surplus of housing availability in town. Also I believe the company involved, or at least anecdotally, I would not like them to be held to account for this, they have indicated that they would like to set up a residential community in the town. They would also contribute to that. I think that the surplus housing plus any additional—I think the potential for that particular project is such that the economic justification of new buildings and new participants coming is solid.

The Hon. Dr PETER PHELPS: And is that time frame of 50 to 100 years accepted or is that just in optimal circumstances?

Ms NADGE: I think publicly the companies say 20 years but in annual reports or at different other mining conference forums you can hear anything from 50 up to 100 years behind the scenes.

Mr HARRIS: Also I think this is coming back to the issue about modelling. If we know that there is a company there, how does the government factor that into its model? Maybe we should be getting the answers that you are asking for from you guys.

The Hon. Dr PETER PHELPS: The answer is that it always does it after the fact. When there is a shortage of hospitals or a shortage of school places the government says, "Whoops." It is the whoops modelling.

Mr HARRIS: Can we address that?

Ms NADGE: Through that entity I mentioned before like the previous Outback Development Forum organisation we had, companies would feel comfortable talking about their longer term plans in that kind of a private forum so that strategic planning can occur in a logical and rational way. They are not going to come out and talk to the media or to Regional Development Australia necessarily if they do not see a point to it, from our experience.

CHAIR: Has the company involved with the Hawson project had discussions with you about the potential future of the development?

Ms NADGE: Yes, at least one of them. I have spoken to the chairman of the alliance who is with one of the companies over the border. Based on that discussion, I would be worried as a resident of Broken Hill that the centre of gravity will move.

The Hon. STEVE WHAN: Will move?

Ms NADGE: Across the border.

CHAIR: Broken Hill will still be the closest large centre to that project though, will it not?

Ms NADGE: Yes and no. It depends. If you look at the cross-section of the mineralisation that goes across from Broken Hill to Peterborough—

CHAIR: So the long-term thing could well shift towards Peterborough rather than back towards Broken Hill?

Ms NADGE: It could very well.

CHAIR: Perhaps this would be a question better directed at them, so please tell me if you do not feel qualified to answer it. With the discussions you have had, what have they told you about the potential future for Broken Hill?

Ms NADGE: The company that is in the State of New South Wales has indicated that they would be prepared to—again without wanting to hold them to anything, but we have heard anecdotally in the past they would prefer to see Broken Hill as the residential centre. I think it is acknowledged by the company that Broken Hill is a mining friendly environment and there are skills and industries here that support mining. It is logical. If they had the support through some mechanism, whether it be that go-to body that I mentioned or some other

facility that they could get into the heads of people who make decisions, there could be more strategic decisions made about access to the power, water, and transport is a big one, the rail versus the pipe versus the road versus which State and which port and those sorts of issues.

The Hon. Dr PETER PHELPS: Does all of this not lead to what we have been seeing elsewhere; that is, a sponge effect on the major cities that have the population mass? Does this not essentially mean that you will have a further extraction of people from the unincorporated areas, from Central Darling, into Broken Hill as a centre of mass?

Ms NADGE: Possibly. I guess it depends on the outlook. You are possibly right but I am not sure how many people in those centres at the moment would be in a position to move anyway.

The Hon. Dr PETER PHELPS: And why would that be?

Ms NADGE: I think that whilst there is a surplus of people there, whether or not they have the skills or the resources—things have dropped back a fair bit.

The Hon. Dr PETER PHELPS: In?

Ms NADGE: In the outlying areas. I guess the other thing too I failed to mention before about the project is if there is a processing plant in the region it could be here and we would rather see it here than at the port. That is also up for discussion at the moment. It is critical to be involved in those discussions early rather than too late.

Mr HARRIS: Mr Phelps, you spoke of people coming from the unincorporated areas into town, but what tends to happen in that situation is people move from the other industries within town into the mines. There is this movement. So because the mines tend to be top of the tree in terms of the terms and conditions of employment, whenever there is a major movement in the number of people employed it has got a ripple effect right back through the rest of the town.

The Hon. Dr PETER PHELPS: But why is that? Surely people go where jobs are, do they not?

Ms NADGE: Wages.

Mr HARRIS: Yes.

The Hon. Dr PETER PHELPS: So why would a person in Wilcannia on \$400 a week not jump at the opportunity to go to Broken Hill for \$1,200 or \$1,500 a week working in the mines?

Ms NADGE: It is quite likely that the person in Wilcannia does not have the skill set or the experience.

The Hon. Dr PETER PHELPS: Is that an adult skills training issue?

Ms NADGE: Yes.

Mr HARRIS: It is also a cultural thing maybe as well.

The Hon. Dr PETER PHELPS: "I have lived in Wilcannia all my life and Wilcannia's my home and that's it"?

Mr HARRIS: Yes.

The Hon. Dr PETER PHELPS: I am not particularly enraptured by that. Ireland was a lot of people's home once too, but economic necessity forced them elsewhere.

Mr HARRIS: I am thinking more from the Aboriginal perspective, their affinity to the land and so on. There is a different mechanism other than just the economic one that impacts their decisions. I am not saying that economics does not come into their decision but it maybe does not have the same degree of importance in that decision process as what it might for us.

Ms NADGE: Certainly in town the reason why people abandon jobs in small business and go to the mines is usually to do with salaries.

The Hon. SCOT MacDONALD: I think it was the Chair that asked back in Parkes how the new model of Regional Development Australia was working compared to the old Federal body and State bodies. Is the new Regional Development Australia model working well for you?

Ms NADGE: I never worked in the previous organisation but I have got to say personally after two years it would be great now to get some resources to do something positive.

The Hon. SCOT MacDONALD: As a supplementary to that: I think a few people have remarked that New South Wales did not come out terribly well from all of the submissions. Did you strike anything?

Ms NADGE: Is that the Regional Development Australia fund?

The Hon. SCOT MacDONALD: Funds.

Ms NADGE: No, we did not. We had eight applications from the region and all of them were very worthy but we were not successful.

The Hon. SCOT MacDONALD: Are you going for round two with similar sorts of submissions?

Ms NADGE: Yes. We have seen it was opened up yesterday. The guidelines have changed and it looks like there will be a limit of no more than three applications from our area.

The Hon. Dr PETER PHELPS: Have you assessed the successful ones from the last round? Do you believe there was any bias in the successful applications, or do you think they were simply more meritorious than yours?

Ms NADGE: Given the high amount of competition that was put in to that particular fund— I would not dare for one minute to make a political comment here, but what I would suggest is that there was such high competition that any application that had any imperfection whatsoever would have been put to the side and not have even been considered. We know that a few of the people in our region have taken advantage of feedback and they will take that on board and improve their applications.

The Hon. Dr PETER PHELPS: We had a comment yesterday about the complexity of the application forms. Did you have difficulties with that?

Ms NADGE: Not so much the complexity of the form, just the fact that the technology out here could do with an upgrade so people would be able to upload their forms faster.

The Hon. STEVE WHAN: Did you receive feedback on your unsuccessful applications?

Ms NADGE: Yes, from some of the applicants.

The Hon. SCOT MacDONALD: What was the main cause of not getting across the line? Was there anything?

Ms NADGE: There were just general imperfections. The irony of one of the projects, for example, was that it could have been too commercial. After hearing the feedback, I could understand that, but in the context of that project—something that would be for the benefit of an Indigenous community in the region—I found it difficult to comprehend why you would not amend the criteria. But some of the other feedback was more to do with not supplying the right or sufficient information, for example.

CHAIR: Are you aware of the Remote Area Planning and Development Board that operates in central Queensland and the Far West?

Ms NADGE: No.

CHAIR: A sub-committee of this Committee went up there. They are based in Longreach. There is a great deal of cooperation between the shires and their surrounding regions. It might be a worthwhile exercise to get in touch with those people. We can certainly give you their contact details. They had some really good programs going up there. Can I ask you also about the road infrastructure situation? A number of the submissions that we have received spoke about the western roads, particularly in relation to those unsealed highway sections. What do you see as the key road projects in the region?

Ms NADGE: The road to Tibooburra and the Pooncarie-Menindee road, those two in particular. The third one is the one I mentioned in the submission, Wilcannia to Ivanhoe, on the Cobb Highway. The fourth one on the agenda is the road from Ivanhoe to Balranald—it is not in my area and I do not believe it is in the Central Darling Shire.

CHAIR: From the information you have been given, what sort of economic impact over time do those roads have, the fact that they are unsealed?

Ms NADGE: In respect of Tibooburra, the lack of the sealed road means loss of tourism, loss of freight, loss of advantage being taken of the gas fields—loss of the opportunity to take advantage of the developments that are happening in south-west Queensland. There are developments taking place on sealed roads from Brisbane pretty well across to the gas fields. There are opportunities that could be taken there. In the Menindee and Tandow areas, some of the farmers and pastoralists have talked about the high cost and the inability to move freight quickly from Menindee and Pooncarie to markets down south.

The same is true of the road from Broken Hill to Tibooburra and further north up the Kidman Way, from Ivanhoe through to Wilcannia and further north. Again it is about moving freight and moving livestock. The biggest economic costs happen when the roads are closed and when the roads are also in a poor condition. Pastoralists say that the poor condition of the roads increases the cost because of the need to downsize trucks—higher rates for multiple trips versus one huge trip. There are multiple issues with the roads. Tandow, in their submission, have mentioned the cost of freight for their produce—the volume they have mentioned is quite significant to them. People going from Menindee to Mildura, for example, have a high cost when they have to bypass through Broken Hill.

The Hon. MICK VEITCH: Another issue which has been raised quite a lot in this process relates to obtaining and maintaining air services into the region. Some places have had a flight service to Sydney and after 12 months it has been removed. I note in the media earlier this week, Broken Hill is pursuing an air service to Melbourne. What are some of the issues, from your experience, around obtaining and maintaining air services and what are some of the difficulties you are encountering?

Ms NADGE: Fly in fly out opportunities at the moment are crushing the availability of seats. The existing flights in the region are probably fantastic for the sole airline that comes into Broken Hill—every flight is just about full and usually at top dollar. If you watch the Rex website you can see the prices and you know what you are paying. The fly in and fly out factor does reduce opportunity for residents but it also increases the cost to the companies. Somebody has to pay for that. The cost to Broken Hill is probably the loss of residency for the people who would otherwise live here for those jobs. In terms of the access to Melbourne, that could be quite a good thing, especially for the tourism and the arts industries and certainly for the mining industry. There is quite a hub of mining companies in that part of the world.

The Hon. Dr PETER PHELPS: What regular public transport routes do you have: Broken Hill, Adelaide, Sydney and Melbourne, or just Adelaide and Sydney?

Ms NADGE: At the moment, there are direct daily flights between Broken Hill and Adelaide. There is a Broken Hill Dubbo Sydney daily and there is a very early morning Broken Hill to Sydney direct flight on most days as well.

The Hon. MICK VEITCH: Are you encountering any other issues around air services within the Regional Development Australia Far West boundaries?

Ms NADGE: The airport upgrade is something the council have said they will have to address at some point in terms of security and the new regulations there. Generally we rely on the air strips—not just in Broken Hill but in the region—as a major form of travel for the health and education personnel who need to get out and

about. There is a maintenance issue that the emergency services people have talked about, so the upgrade and maintenance of air strips is a very important issue. That is a critical funding issue on a recurrent basis.

The Hon. MICK VEITCH: Yesterday we had an innovative program where we broke into small groups and spoke to a range of people. In the group I chaired a number of the councils raised the issue about how, when governments of all persuasions tick the box for funding of regions, the money goes to the larger centres like Broken Hill, for instance, but the subregional centres and smaller towns do not get a cent. However, the government of the day feels very happy, because they have funded the region. Do you have any ideas on how that could be overcome—for instance by sports grants or cultural grants?

Mr HARRIS: I can comment on that—it comes back to the silo versus the horizontal holistic of the community. For instance, the chief executive officer of Maari Ma Health, one of the biggest and best and almost exemplary Aboriginal health services here, said to me at one stage in their growth, they moved from the position of trying to respond to the funding rounds as they came out to another model where they just tried to assess what the community needed. Then they went seeking the dollars for that need. Their attitude was, "We don't care how we get it, or which bucket it comes from". I think from the community point of view that might be the way to assess what the overall needs are. I suggest, rather than try to fit into some specific programs, they come cap in hand with those needs and find the dollars where they can.

Ms NADGE: In terms of grant applications—whether private or public sector—in general there is a lack of capacity in our region to search and be successful. Currently in the area there is a lot of money for e-learning, to bring computer literacy skills to the region, to improve the skills of the elderly or Indigenous or targeted groups of people. There are people who are eligible to apply but they do not have the capacity. Their day is so busy doing what they do. They would love to apply but it costs time and money to apply for all of these things. It is a competitive environment—you do not know whether you are going to get it. People are constantly balancing what they should be doing.

CHAIR: It is also very competitive.

Ms NADGE: Very competitive, and a lot of effort for not a lot of return.

(The witness withdrew)

(Short adjournment)

VINCEN JOHN CUY, Mayor, Broken Hill City Council, affirmed and examined, and

FRANK ZAKNICH, General Manager, Broken Hill City Council, sworn and examined:

CHAIR: Are you conversant with the terms of reference for this inquiry?

Mr CUY: Yes, I am.

Mr ZAKNICH: Yes, I am.

CHAIR: Would you like to start by making a short opening statement?

Mr CUY: I welcome everybody here, on behalf of the city of Broken Hill. It was great to see that you have taken up the opportunity to come here and hold this inquiry in our great city. I am sure that it will be a great experience for the people who have not been here before. Welcome back to the people who have been here before. I am sure you know this is a great experience.

Mr ZAKNICH: I thought I would touch on a couple of the key points in our submission and then we are happy to take any questions from you. Council obviously views the provision of enabling infrastructure locally and services to the city of Broken Hill as critical components in terms of maintaining and developing this vibrant regional city, both for retaining and attracting residents, but as well as industry and business to the far west of New South Wales. The city of Broken Hill, as you may be aware, has within the city boundaries in the order of 180 square kilometres. We do not reach out into the unincorporated area in terms of our jurisdiction, but certainly as a large regional centre we impact and interact with our regional communities through the far west and very much into north-eastern South Australia and south-western Queensland. The most recent estimates put the population of Broken Hill around the 20,000 mark. It is interesting to note that when the city was first declared a city in 1907 the two key criteria were a population of 20,000 and £50,000 in the bank. It is good to see that we still have that level of population.

CHAIR: And the funds?

Mr ZAKNICH: I do not think we had £50,000 in the bank in 1907. In terms of mining development, we are one of the longest lived mining cities in Australia, and for the past 128 years we have ridden the wave of mining boom and bust, so to speak. But these days the city is very resilient in terms of its diversification. While it respects, understands and supports its ongoing mining development and industry, it is also mindful that from a diversification point of view, in tourism, heritage, film, arts, culture and renewable energies we have a very strong and sound future ahead of us. Much of our infrastructure, of course, is under-utilised and we have spare capacity for further development on the basis that during the 1950s our population was about 35,000. So you can see the way that the mining industry alone has impacted on our community over the years.

Notwithstanding, we are still a very vibrant and culturally rich community. Our submission points to a number of suggestions related to the terms of reference. Essentially, we are looking for a partnership approach with State and Federal government in terms of our particular needs as a city and also suggesting a number of further recommendations that the Committee should consider with respect of how we go about doing business as local government in our part of the world. Council is a big supporter of ensuring that councils themselves are sustainable in terms of sustaining their communities and providing a whole range of additional services with appropriate funding on behalf of other levels of government. That is something we already do quite well, and we would encourage the Committee to look at further opportunities for local government to be able to do that on behalf of other levels of government.

Council is obviously proactive in partnership with Regional Development Australia, Far West, and we do regular updates of our economic activity and further projections in terms of our developments in the region. Some of those have been provided to the Committee and the most recent one will be published in the next few weeks. We are happy to provide that to you when it is prepared. Specific infrastructure, in particular related to the national broadband network, council considers to be critical for Broken Hill in the region, providing us with a level playing field in terms of attracting and retaining business and growing business across Australia and in fact the world. A very innovative city, both historically and going forward, is Broken Hill. Those are the key points we wish to touch on. I am happy to take any questions in relation to the remainder of the submission or any other questions you may have.

The Hon. Dr PETER PHELPS: Does the council own Broken Hill airport?

Mr ZAKNICH: Yes, it does.

The Hon. Dr PETER PHELPS: What is your view of the facilities available there, for example, the condition of the runway? How do you think it is serving the community, and does it need an upgrade?

Mr ZAKNICH: In terms of its current state, council maintains it within its existing budgetary framework and we are just planning a reseal of the runway that you may have read about. That is usually done on about a 10-year cycle; we are a couple of years out of step in terms of that maintenance program but we are undertaking that this year.

The Hon. Dr PETER PHELPS: Is it purely a reseal or is it an upgrade to handle heavier aircraft?

Mr ZAKNICH: It is purely a reseal at this stage. In terms of the loading and the capacity of accepting larger aircraft, we have recently done an assessment of the varying capacity of the sub-straight. In terms of the pavement classification number [PCN] rating, we are in a position to be able to increase that for larger aircraft. We will be publishing that.

The Hon. Dr PETER PHELPS: At cost?

Mr ZAKNICH: No, not at cost; it is based on the assessment that was done, coupled with ensuring that it is maintained and resealed on a regular basis.

CHAIR: What size aircraft do you plan to be able to service here?

Mr ZAKNICH: Up to a 737. That is the proposal. Obviously they can land with one-off permissions. We do not want to get into a situation where they land and cannot take off again, which would be no help. We will be publishing that revised PCN in the near future based on the final results of the testing. In terms of the remainder of the facilities, we have just completed a considerable exercise in partnership with the State Government, which is the development of the airport master plan, which is a 20-year projected road map essentially for the development of the airport. That looks at low, medium and high scenarios around additional carriers, expanded air services and the like, basing Broken Hill around a regional hub that services this part of the region and into central Australia, partnerships with Alice Springs, Mount Isa and the like in terms of that trial of regional cities within the desert areas.

The Hon. Dr PETER PHELPS: My next question relates to rate capping. If rate capping were to be removed, do you believe that you could increase your rates without having the effect of driving people out of the community?

Mr ZAKNICH: It is an interesting question.

The Hon. Dr PETER PHELPS: Or is the current level of rates basically what the community will bear?

Mr ZAKNICH: Council's policy is to follow the rate capping model in terms of its long-term financial plan which it has developed. Council has no intention to vary that rate capping model at this stage. What that means though is that council is at times limited in terms of the level of infrastructure improvements it can make as a result of that. Council has had some discussions around following the revised model in the local government Act provisions that look at making application to the Independent Pricing and Regulatory Tribunal [IPART] for percentage increases over and above rate pegging. That is a complex and time-consuming exercise to undertake. Council at this point has indicated that based on its long-term financial plan it will stick to a model of following the rate pegging. This is a broader question in terms of how we fund infrastructure and the capacity of the community to pay, based on Broken Hill's demographic. The average household income is about half the national income. We have a large proportion of the community that is on fixed incomes in terms of welfare and the like. So that does have an impact, notwithstanding the mining sector and the considerable salaries that are paid in that sector. That is not reflected across the broader community.

The Hon. Dr PETER PHELPS: We heard some information earlier in relation to extractive industry mining projects into the future and the possibility of Broken Hill not being a fly-in, fly-out centre but being a residential centre for new mining projects. What sort of capacity does Broken Hill have at the current time to absorb additional workers on a permanent-stay basis rather than a fly-in, fly-out basis? Would that be your preferred option?

Mr ZAKNICH: Yes, it would. Broken Hill has always been a residential centre for mining. As I mentioned earlier, we have spare capacity in terms of infrastructure. I suppose our only limiting factors are standard and quality of housing. Council has been active in rezoning land in the city for residential purposes and also encouraging building and investment around improvement in the quality of housing stock over a number of years

The Hon. Dr PETER PHELPS: Is there interest from private developers for that sort of large-scale improvement of housing stock?

Mr ZAKNICH: There is interest in development of land.

The Hon. Dr PETER PHELPS: Greenfield sites?

Mr ZAKNICH: Both greenfield and we are also encouraging to a greater extent urban redevelopment or in-fill based on our infrastructure. You would appreciate the city has a boundary which transitions into the regeneration area which was established from a conservation point of view to protect the city from severe dust storms during the 1930s. So it is well established. We do not want to encroach into that area; we prefer that there would be urban in-fill or redevelopment close to the central business district which minimises our infrastructure expansion, provides a connected transport system and the like.

The Hon. SCOT MacDONALD: My question is about direct funding from State or Federal governments. You would be getting State funding for roads and infrastructure, but I particularly wanted to ask you about the Federal funding.

Mr ZAKNICH: Certainly. The council provides a range of services on behalf of State and Federal government, particularly in the aged care, community services, disability services and youth services areas. Most of those funding packages are cost-neutral essentially to council, although some of the service provision in recent years, particularly in aged care, has seen deficit funding in terms of council's contribution.

The Hon. SCOT MacDONALD: The council is subsidising it?

Mr ZAKNICH: In terms of the aged care we are in the last number of years.

The Hon. SCOT MacDONALD: What are you looking for from the Federal government? That is obviously a difficult question in terms of the Constitution. The Federal government do not normally fund local councils directly. It has done it, but it is problematic.

Mr ZAKNICH: The key thing I think is tied into local government receiving a set percentage—one per cent or more—of tax income. So we are suggesting the formula should be a fixed percentage of national tax revenue to local government. It is a share of the pie which is then allocated to community infrastructure. It is great having a wish list of things you want to do but obviously the pie is never big enough or the bucket is never big enough. If it is allocated more fully to remote areas then metropolitan areas will miss out. So it is really about growing the pie and the access to that.

But specifically funding community infrastructure projects through council which then generates local employment, maintains our local infrastructure, leads on to then Broken Hill for example maintaining its infrastructure, retaining its residents, attracting new residents and so that cycle of vibrancy and liveability of a city is progressed. That is the business we are in as a council. We need to have a minimum level of infrastructure in a city of this size, in the sort of geographic location that it is, in order to retain and attract residents and business and visitors.

The Hon. SCOT MacDONALD: In regard to aged care, is there not much interest from private providers, whether that is church or commercial?

Mr ZAKNICH: There is. There are a number of other providers in the city at present and council is doing a review of its retirement or Shorty O'Neil Village operations to see what the future holds for that. Again there is a minimum number of beds to make it viable in terms of provision of that service. The design and the level of service that is provided in the current facility, the buildings do not meet the level of care we are providing which is a case that is common across Australia.

The Hon. Dr PETER PHELPS: Is there a significant demographic imbalance in Broken Hill which you would not find in other rural cities?

Mr ZAKNICH: A significant aging population. About 30 per cent of the population is projected to be aged over 65 by 2030.

The Hon. Dr PETER PHELPS: But that is not materially different from most other large regional cities, is it?

Mr ZAKNICH: We are above the State average at present.

The Hon. STEVE WHAN: You made some comments already about the importance of the National Broadband Network to Broken Hill and to the region. The Federal National Broadband Network Committee came out here not so long ago I think. Have you actually had feedback on where Broken Hill stands from the council's point of view on the rollout of National Broadband Network?

Mr ZAKNICH: No, not as yet. There has been a lot of discussion in the media about it but no fixed date in terms of where Broken Hill is on the list. I understand that information is not released until the program is fixed in a planned sense. We are putting in a lot of work obviously in terms of getting NBN-ready, but at this stage we do not know when that will be.

The Hon. STEVE WHAN: What is it about the National Broadband Network that makes it so critical for your economic development plan?

Mr ZAKNICH: It is critical infrastructure for this community in terms of business, in terms of council services, in terms of health and education, in terms of service delivery to this community and our connectedness to the rest of the world. As we have said in our submission previously, this whole level playing field, we should be able to have that sort of access to broadband at the same level of anywhere else in Australia, at a high level, fast broadband. That is critical for the type of work that we need to do, particularly in delivery of council services because we see that as a sort of e-government process that we will be going through as a result of our National Broadband Network strategy which is to deliver those sorts of services more effectively to the community as a result.

Mr CUY: The isolation in this area, being here you will quite obviously understand how isolated we are. It has been a strength for us over many years; it has also been a weakness. If we can come on level terms with the rest of the world it is our oyster. Looking into the future, our diversification from tourism and the film industry, we see that that would be a really strong point to be able to entice film. Investing ourselves, with the State Government, \$2 million in the film studio and having the National Broadband Network here, ready and available, I actually think that will be an even greater enticement for major films to be able to come here.

The Hon. STEVE WHAN: Is council aware that New South Wales has a National Broadband Network coordinator? Have you ever been contacted by the coordinator or had any input into what that person is doing?

Mr ZAKNICH: Council has been contacted by the Federal Government coordinator. Is that the same person?

The Hon. STEVE WHAN: No, there is a State Government National Broadband Network coordinator.

Mr ZAKNICH: No, we have not heard from whoever that is.

The Hon. STEVE WHAN: That might be something we can provide feedback on. When we had representatives from Regional Development Australia here they spoke about a new mine on the border with

South Australia or thereabouts. They were talking about the importance of the processing operation taking place here in Broken Hill. What discussion has council had with the company on that and what role can government play in assisting with attracting that operation to Broken Hill?

Mr CUY: We have been very heavily involved with the company from day one. They are very keen to actually have some sort of manufacturing side of it or processing here. How that comes about is still a little bit unsure. They have formed an alliance with like companies, most of them in South Australia. So they are looking at all those possibilities of pooling those resources together to make sure that all the possibilities they are looking at can actually happen. I think from the State government's point of view it would be ensuring that any licences they are looking at, any possibilities that they need to explore from a licensing point of view would warrant some sort of State government —

The Hon. STEVE WHAN: Approvals processes are never smooth.

Mr CUY: Approvals process, looking at that, we are not talking Liverpool Plains here. We are talking an industrial area that has been here for 128 years. It is used to these processes, although it is 60-odd kilometres outside of town. But to create that employment and have what we believe is the infrastructure here to maintain anywhere up to 800,000 workers over the next 50 years is vitally important not only for Broken Hill as a city but the outlying areas itself. We believe that the Hawson development over the next couple of years will be the most critical point in driving our future forward.

The Hon. STEVE WHAN: Presumably you will need a major projects planning process that is going to facilitate that happening?

Mr ZAKNICH: Yes, in terms of the role of State government there needs to be a whole of government coordination of this project, particularly because South Australia is involved as well. So an interstate coordinating group of some sort is required not to just look at the approvals process but also the infrastructure that needs to be put in place—infrastructure from the Hawson site to Broken Hill, whether that is water, electricity, rail and the like.

The Hon. STEVE WHAN: Are there other existing regional development programs that are going to help to attract that processing facility to be built here, for instance payroll tax concessions and things like that? Or are there incentives that are going to be required? You may not be able to answer this; the company might be the only ones to answer it. From your point of view is there existing programs that are suitable or are needed for attracting this?

Mr ZAKNICH: We are certainly aware in terms of our relationship with the local office of business trade and investment as I think it is called now that there are some programs that are available in terms of that investment, but again a lot of those discussions we hoped would be held at a senior level in State government in terms of that program assistance.

Mr CUY: Part of the infrastructure also would be gas to the area as well and to take that to another level to make it viable. I believe that bringing that gas to here would be of huge benefit.

The Hon. Dr PETER PHELPS: Are you near to a gas line? Is there one in Adelaide?

Mr ZAKNICH: Just past White Cliffs on the way to Moomba.

The Hon. STEVE WHAN: That is still a fair way away.

Mr CUY: Not in the outback it is not; it is a short distance up the road.

The Hon. STEVE WHAN: Absolutely. It is all relative.

The Hon. Dr PETER PHELPS: If you have got a water pipeline from Menindee Lakes, why can you not build a gas pipeline?

Mr ZAKNICH: It does go to Moomba, that is right. We are just on the way.

The Hon. STEVE WHAN: A different area: Roads and Traffic Authority contracts. How much work does the council do on behalf of the Roads and Traffic Authority on roads in the city and do your teams or contractors do any work out in the unincorporated areas on half of the Roads and Traffic Authority?

Mr ZAKNICH: We do very little work for the Roads and Traffic Authority. They have a strong regional presence here already.

The Hon. STEVE WHAN: They have a regional workforce here?

Mr ZAKNICH: They do. We do some work on the regional roads within proximity to Broken Hill and that is usually under an order of works program. But our single invitation component is very small. I think it is in the order of \$70,000 to \$80,000 a year so it is not a huge part of what we do.

The Hon. STEVE WHAN: The Roads and Traffic Authority's own crews do the work on the unincorporated areas?

Mr ZAKNICH: That is correct.

The Hon. STEVE WHAN: There has been a bit of discussion in our previous questions with Regional Development Australia about potentially considering changes to the unincorporated areas, particularly in relation to the Central Darling shires areas. Do you have an impression of whether the Roads and Traffic Authority doing that road maintenance by State funding is better, I suppose, than the arrangements that are there at the moment?

Mr ZAKNICH: As an observation, it really comes down to who is most capable of doing it. In terms of the unincorporated area, in terms of our experience, the Roads and Traffic Authority has the necessary resources to undertake that. From a contracting perspective I would suggest there would be a dearth of contractors within this particular geographic location to do the extent of work that the Roads and Traffic Authority might do.

The Hon. MICK VEITCH: One of the common themes in the submissions and the evidence we have received has been around population modelling and the way that government departments use the Australian Bureau of Statistics figures and model them for future strategic planning and infrastructure planning and the like. People are saying that it actually does not meet the needs. They model ahead for five or 10 years, then suddenly there is a new mine development that throws that all out and they are not quick enough to adapt to the change.

The Hon. MICK VEITCH: Is there a better way for State Government departments to conduct population modelling? Have you had issues with the way they have conducted population modelling?

Mr CUY: Yes, there are issues. From a hospital point of view, building that infrastructure to service what was then supposed to be a population of 15,000—we were all going to pack up and leave Broken Hill. That was the intention—the mines are going to die and we are all going to leave town. Yes, that is a problem and it is a problem for communities like ourselves. I will hand over how we do it to the general manager.

Mr ZAKNICH: We have the same problem but we do annual reviews or regular updates in partnership with Regional Development Australia. Does that assist with our future planning?. I suppose it informs it more regularly. From a State and Federal government level they are basing it on ABS data that has a projection period of five, 10 or 20 years. That is really fraught with inaccuracy in terms of what happens on the ground. It is important to get a more regular update. We are doing it every year. Why not tap into some of that data? Again it is about getting the information on the ground rather than having some bird's-eye view of data that is either inaccurate or outdated.

The Hon. MICK VEITCH: Dr Phelps asked you some questions around the airport and there was discussion around a gas pipeline. Does the council have a list of priorities for regional development projects in Broken Hill? Is the airport more important than, for example, sealing one of the roads into town or is the gas pipeline more important? Have you got a hierarchy of works programs in terms of regional development projects you would like to proceed with?

Mr ZAKNICH: We have certainly got a list—our four year delivery program as part of the greater planning and reporting framework identifies projects for the city. In terms of our partnership with Regional Development Australia, some of those projects are linked into regional projects and council provides support for those. In terms of our priorities for funding over and above normal annual infrastructure programs, the haulage road is a priority in terms of the link between the northern and southern operations, based on the fact that mining investment to the east of the city is developing at a rapid rate.

We have got significant developments proposed under the airport master plan so the airport building is a strategic one. We have got a massive 600 turbine wind farm development proposed between the city and Silverton—the largest in the southern hemisphere. The haulage road is a strategic link, not just for mining activity, but for the future in terms of large transport. The other priorities for us are an upgrade to the airport based on our master plan. Broken Hill Studios is a film studio redevelopment, which is an adaptive reuse of the old central power station. There is a film and business hub proposed in that location. They are probably our three key projects. The others are currently under construction. If you have done a quick tour of the city, the Broken Hill Regional Aquatic Centre is reaching the final stages of development. A number of other projects have been completed in recent times around managing stormwater and rehabilitation of contaminated land to green space, which has been a great initiative of the councils.

Mr CUY: We need to develop our infrastructure base, to bring people here. For example, a mine could attract an extra thousand workers. In terms of infrastructure, modern society is looking at four things: what they can do in their leisure time, child care facilities, health and schools. I think we are on the right track for most of those, but the perception out there is that we do not have them. If I can relate a story, we had Terry Riley here recently, a real estate journalist who writes in Sydney papers. He came here to write about Broken Hill. When I googled him he gave a pasty account. We thought what is he going to do? He can come here and destroy everything. We had a talk to him. When he came to the community he was blown away because his perceived impression was a dirty old dusty mining town.

We need the State Government's help to overcome the perception of what communities in the west are like. That is ingrained into people's thought patterns—we need to overcome that. If I can ask one thing, it is for help from the State Government in some degree so we can overcome those obstacles. We have a brand strategy. We have gone through over a six month period where we have branded Broken Hill. A lot of people say we have rebranded, but we have never actually had a brand. The brand is—Broken Hill. We do not need to do anything else. A lot of people have said we paid a considerable amount of money to have someone tell us it is Broken Hill. We are a vibrant city and that is what people forget. We are a small city—not a large town. From a State Government point of view, infrastructure is the key to helping us overcome those perceptions and attracting a workforce in the community. Once we have completed the aquatic centre it will be one of the best aquatic centres in regional Australia. It is 100 kilometres away, which is only just up the road. We have the recreational pull from Menindee: fishing, water skiing, camping—you have got it all there. Also you have got education, child minding and a relatively good health system.

The Hon. MICK VEITCH: In your submission you raise the issue of a country New South Wales jobs coordinator. How do you see that role playing out and what sort of things would you like to see a country New South Wales jobs coordinator do?

Mr ZAKNICH: I will preface my comments by acknowledging that through the Federal Disaster Unemployment Assistance [DUA] there has been a jobs coordinator for the Orana and Far West region. We met with her the other day. It is always difficult for the community to coordinate the various agencies in terms of job positions and required skills. Employers, small and large, need to identify specifically what their needs are. We have to align that skills gap with what is actually required in the community. We can see what is required to be done. The jobs coordinator role would assist in providing an alignment between the whole range of Government programmes to do with employment and training and education, by filling those skill gaps now and into the future. There is a transition from existing employers to mining. Those employers will then have difficulty filling some of those roles. We have experienced that to some extent in our own organisation with employees going into the mining industry. The jobs coordinator would play a critical role in assisting that to happen.

CHAIR: Just going back to this issue of the unincorporated areas, what do you see as the preferred model for management of those towns and villages within those areas?

Mr CUY: That is going to be the responsibility of the Central Darling Shire, but our role will be supportive. The question is, do we want to take it on? Like most councils in New South Wales we are struggling

financially to meet our existing requirements. Without government assistance to take on that role, it would be an impost on our community. We possibly have the capacity to take it on but we have to look at what the cost to the community would be. At this point in time we are here to represent the Broken Hill community. The unincorporated area is a very big area. In our own capacity we would not have the ability to do it.

CHAIR: What happens with say Tibooburra—how is that managed?

Mr ZAKNICH: I might just comment on what the models are at the moment in terms of the unincorporated area. Both Tibooburra and Silverton have steering committees that are established under the Local Government Act. They have a governing committee selected by their communities which means they have access to financial assistance grants from the Federal Government. It was interesting to note during the Regional and Local Community Infrastructure Program [RLCIP] the Tibooburra and Silverton village committees received the minimum grant of \$100,000 each. Central Darling received the minimum grant of \$100,000 for the whole shire. To that extent there are probably benefits in having a village committee structure. Central Darling missed out because of the nature or the structure of the funding. In terms of council's views, over a number of years it has reviewed its boundary position, looking to see whether there was some demand or efficiencies or improvement to service delivery which could be achieved. Each of those reviews has indicated it was not cost effective at all to take on any expansion of city boundaries because of the extensive road network involved and the very small population in terms of servicing. Those reports are available. We can provide those to the inquiry, if you so wish.

CHAIR: Can you give us some idea within your council area of responsibility, the proportion of land that is freehold, versus western lands lease land?

Mr ZAKNICH: The majority is freehold. There are very few western lands leases.

CHAIR: Within those villages is it all western lands lease land or is there freehold land in some of those villages?

Mr ZAKNICH: It is a combination of both and the Western Lands Commission would have that information.

CHAIR: Just coming back to the iron ore project, what do you see as the potential for future economic development as a result of that project going ahead?

Mr CUY: Again the ability to be able to employ and retain people here. I do not believe we will be able to keep everybody here—there will be some fly in and fly out. I would like to think, as a community that is a mining community over a hundred years, we have an appeal to keep people in the town. By building our capacity while growing our residents from 20,000, may be up to 25,000, 30,000, it then becomes self-generating. That is our number one priority, keeping the employment here in the community. To have fly in fly out will be of benefit to the community but not as great as having them live here. Building the mine just out of town, again there will be servicing of there. There will be the mine-related tourism, if we can call it that, the people who are coming in to service that community or that infrastructure in there. There will be spin-offs everywhere.

I believe that every stone should be unearthed to make this project a viable project as far as the State is concerned. New South Wales does not have an iron ore project. What better place than Broken Hill to have one, realistically? We are regarded as a brown town. We also have the capacity that people accept mining as a way of life. From every angle, it ticks all the boxes. It creates economic development into the community. I would say there has been job creation in here. There have been all the flow-on products that come out of the mining industry, the servicing of the equipment, the servicing back to the mine. There is also a lot of other development that is happening in and around the city at present. There are five or six different companies that are developing exploration in and around Broken Hill as well. So we believe that the future is very rosy. To answer your question, maintaining a population base in this community that can support the infrastructure that we have is paramount.

The Hon. Dr PETER PHELPS: The State Government can always do more, but are there some areas where we could be doing less which would help your economic development? I note in your submission that you made some adverse comments about the regional development model. Is that your chief bugbear in terms of getting things done in your city, or are there other ones which the Government imposes on you through

regulation or legislation which you think could be done away with to improve your chances of getting better economic development in this area?

Mr ZAKNICH: I suppose those comments were suggestions around how the model could be improved. Again, it comes back to this direct funding of local government. We have those existing structures in place where Broken Hill, Central Darling could undertake that economic development function for the region, in partnership with the State Government. Why is there this other layer of regional development in place? That is our submission. Secondly, there is this whole issue around cost shifting. Rather than cost shifting, why would the State Government not partner local government in terms of delivering services? As I said in the submission, the council is the front door to so many of these services in its community. Why would appropriately funded councils not be able to provide those services on behalf of the State Government?

The Hon. Dr PETER PHELPS: We could give every council \$100 million and it would be good for the councils. Are there things that are imposed on you by regulation or legislation which you think could be dispensed with that would make your life as a council easier and promote growth and development?

Mr CUY: I think one area out of the 2036 conference that we went to—and I think it probably answers a lot of questions—is defining the roles. I think we need to get back to basics and understand—

The Hon. Dr PETER PHELPS: Separation of powers.

Mr CUY: Yes. I think we need to understand what is local government's role, what is the State Government's role. When those areas become blurred is when we need cross-pollination and help.

The Hon. Dr PETER PHELPS: You are not Robinson Crusoe to present that view.

(The witnesses withdrew)

JOHN ALEX ELLIOTT, Treasurer, Emmdale Landcare Group Incorporated, sworn and examined:

CHAIR: In what capacity are you appearing before the Committee?

Mr ELLIOTT: As the Treasurer of Emmdale Landcare Group Incorporated and as the western division delegate on the New South Wales National Party Central Council representing this area.

CHAIR: Are you conversant with the terms of reference for this inquiry?

Mr ELLIOTT: Yes.

CHAIR: Would you like to make a short opening statement?

Mr ELLIOTT: I have so many bits of paper here I am not sure which way to go. I appreciate the opportunity of being here. I am basically covering two items. The first one is the Cobb Highway and the second one is the Emmdale aerodrome. I would like to touch on that one first. We have made various attempts in the past to try to get the Emmdale aerodrome sealed. It is 100 kilometres east of Wilcannia and 160 kilometres west of Cobar. It is the only major emergency airstrip anywhere along the highway, as far as I am aware. I think there might be one down in South Australia. It is right beside the Emmdale roadhouse. It services an enormous area, particularly with the traffic on the Barrier Highway at the moment. Back in January the airstrip was closed for several months due to the flooding which occurred everywhere.

Recently we have started to try to have a local fund to sponsor solar lighting on the strip. It was a great idea. We thought that would be a start. Previously we have had kerosene flares. We have had the experience with an emergency 60 kilometres or 70 kilometres from the strip and most times it is in darkness when the planes come out and accidents happen. I was there on my own for about five hours, and we almost had to go and refill all the lanterns to get the plane off the ground. On your own, that is a fairly horrific job. Central Darling Shire Council has now put out battery flares, which we have not yet used. We have a meeting coming up shortly to experience those. The ultimate is solar lighting, which is used by the Royal Flying Doctor Service everywhere. The cost of that is \$43,000, so it is a bit more than a chook raffle to try to get those funds.

I am not sure whether it comes under the State or Federal government. I am sure a recommendation from this Committee will go a long way, whichever way it is going. To seal it, I am anticipating figures of about \$400,000, which is probably a drop in the ocean in the big world, but it is definitely a very important strip. It covers a massive area and has the backing of Central Darling shire and the Royal Flying Doctor Service. With dwindling numbers, in the district sometimes we have often been called to go 50 kilometres, 60 kilometres just to check the plane and land it or put flares out because properties are being amalgamated and so forth and it makes it very difficult. So any sort of recommendation that you could put through to wherever, we would certainly appreciate it.

The second thing I would like to deal with is the Cobb Highway. You have obviously read my letter, and I acknowledge the work of the Hon. Rick Colless in putting together that submission, which was kept confidential, which is fair enough. The reason I used that was it was very detailed and precise and actually driven on the road to have a look at it. Without being facetious, perhaps if you all had hired a car in Griffith, driven to Hillston, went through the boulders on the Hillston to Ivanhoe road, come up to Wilcannia and across, you have to see these things to believe them. I would like to table the quote for the Emmdale lighting and a series of photographs of the Cobb Highway.

Documents tabled.

I have been travelling the Cobb Highway for 55 years. You do a quick calculation—I am 63. I started boarding school at the age of seven in Forbes, and we used to drive to Ivanhoe to get on the train, the old silver city comet, and go through to Parkes. Little has changed in 55 years, I can assure you. In the last 14 years very little, if anything, has been done to that highway. I can remember when there was no bitumen outside Ivanhoe. We got three miles and we went to the Menindee road many years ago, and we had about another five or six kilometres from that. On the Wilcannia end, there has been a bit of development. It is approximately 140 kilometres of filthy dirt road. The council spends thousands of dollars a year on trying to maintain it. If you have a look on pages 2, 3, 4 and 5, in the middle of that road is what is known as Mount Manara. It is a series of absolutely disgusting roadworks and hazardous to the point of 30 kilometres and 40 kilometres an hour. So

number one you do not do tyres and put a stone through your sump, and number two with the ongoing traffic. It is really bad.

About four months ago they put four new ramps in from Mount Manara through to Ivanhoe. Done them beautifully, put five to 10 metres of bitumen on each side of the ramps, which means you can put bitumen on the highway. It is not a problem. It was a lifeblood just to get that much going. In the submission the Hon. Rick Colless detailed the importance of the highway. It is not the cars that are on it now but once it is sealed the cars that will be on it, coming up from Hay, Griffith, all those southern markets, the stock going through to the southern markets, remembering that there is also 40 kilometres from Ivanhoe to Balranald that needs sealing to connect up with Bendigo, Wagga Wagga and areas down there.

If you are a truck driver tackling that road continually you would get fed up fairly quickly. The expense and the wear and tear on trucks is unbelievable. Personally, we use Young transport down in South Australia. They do not actually do the job but they subcontract right around the State to anyone who is going past or whatever. So you have trucks from all areas, a lot of them travelling on bitumen roads all the time, may come up and hit the Cobb Highway and they come back to reality. The other day we sent stock through to Swan Hill which is the Balranald connection down there. Our stock went on the Tuesday; on Wednesday there were thunder storms everywhere and the road was closed.

The same truck with another mob of stock was about 10 minutes in front of the rain the last time I saw them. I do not know whether they got there or not. But once it happens it happens and that is it. They are just stranded. I have had many discussions with the roads Minister, the Hon. Duncan Gay, on a personal note with him. He understands the situation well and truly. There is no money in the budget. If something happened on your end, one, two, three, four, five or six highways, expressways or whatever they are in Sydney, I am sure there would be a bucket of money come straight away. Mr John Williams has been a big help. He is well aware of it. He has pressured fairly well, I might add, but he has made several speeches in Parliament and press releases.

The *Barrier Daily Truth* is supportive. After all this time two State highways in New South Wales are unsealed, the Cobb Highway and the Silver City Highway. My colleague Peter Bevan is here. He normally speaks about the Silver City Highway. But just as important, as the previous speakers were saying, tourism will be a big thing and to get those people to come up to Wilcannia and then on to Broken Hill, which will benefit, and then up to Tibooburra. The ultimate of course would be to go from White Cliffs to Tilpa, Tilpa back to Barnato to connect up the link but we are talking down the track. Basically that is it, Mr Chairman. I really hope that you would put a recommendation through not only to start sealing but to continue it. Not just a bucketful now and a bucketful in three years time. We need work gangs both ends, bang, hook it up the middle.

The Hon. MICK VEITCH: Can you just advise us who actually owns Emmdale airport or airstrip?

Mr ELLIOTT: I believe it is an emergency airstrip. I put in my notes that Mr Whan might be able to help me whether it is Federal or State and it is administered by the Central Darling Shire. The shire do all the work on it, maintain it, grade it and everything else, but I think that is with funding from Federal government.

The Hon. MICK VEITCH: We might be able to ask them when they give evidence.

Mr ELLIOTT: But the Central Darling Shire maintains it to the required standards.

The Hon. MICK VEITCH: What is the nearest emergency airstrip to Emmdale?

Mr ELLIOTT: The next one would be Cobar, 160 kilometres away. There are a lot of accidents around about 50 or 60 kilometres east of Emmdale. Late afternoon they normally happen. Sun in the eyes, caravanners swerving to miss a roly-poly and things like that. We have had some very serious ones with even the flying doctor landing on the road because it was so serious. But the lighting situation is very important. So too is the sealing. We were out there one night and the King Air turned around and it missed a hole in the ground—a hole that size. It just missed it because we happened to see it. That is the sort of thing that can happen. The shire is not out there every day obviously. As soon as we see anything we notify them and they come straight out. So it is maintained by the shire. I understand there is a grant out at the moment that has just been released federally. I do not know what the State involvement is.

The Hon. STEVE WHAN: Is that a disaster resilience grant?

Mr ELLIOTT: I am not sure. Central Darling Shire would be able to help you because they contacted me the other day. I think it is a maintenance type thing for country aerodromes.

The Hon. MICK VEITCH: I think you were here earlier when we spoke to the Broken Hill council about the unincorporated areas and difficulty that the council has out there with a low population base and large geographic area. There are lots of roads and lots of infrastructure that they are required to support. The proposal we have been talking to people about is that maybe some of those lands go to unincorporated and that village committees be set up. Do you have a view about that?

Mr ELLIOTT: My local councillor lives next door and he said, "What would happen if we abolished the Central Darling Shire?" My reply was, "I hope to God you have got something to replace it." As rural ratepayers we literally do not get anything out of the shire. I say that in terms of services. They do not do garbage, water or anything else. We are paying around \$1,500 a year, which jumped up from about \$800. I appreciate that we have got to pay something in order to maintain the shire. Let me say if the shire was not there I do not know what would happen. I really do not. They run the town. They are the head figure of the town. They run the bank, the Roads and Traffic Authority and all these other ancillary services that do all the maintenance. No-one paid me to speak for the shire, but if they are not there it has got to be something magnificent to replace them because they do a good job, but they are like every other shire in the State financially.

The Hon. MICK VEITCH: I think they have got a more critical issue and that is the size of the population base.

Mr ELLIOTT: The total population I heard the other day was around 1,800 ratepayers in the shire. An amount of 1,800 ratepayers to cover a shire the size of Central Darling has got to have help from somewhere.

The Hon. Dr PETER PHELPS: Emmdale is owned by the shire.

The Hon. MICK VEITCH: Thank you. My next question relates to airports and air services in general and public air services into the region. We heard some testimony yesterday in Parkes that there was a view that maybe in this part of the State air services look at hub and spoke arrangements where you would get a flight to Broken Hill or Dubbo that would then connect with the normal flights into Sydney, Melbourne or elsewhere. What is your view of the available air services and what needs to be done to improve them?

Mr ELLIOTT: We did have a system before Air Link closed down when Rex bought them out where Bourke, Cobar, Lightning Ridge, Walgett, all those places had an air service—limited as it was. We would drive 200 kilometres to Cobar to catch the Air Link and then catch up in Dubbo. Dubbo was a hub and spoke. Prices were fairly exorbitant all the time. Lots of times we drove to Dubbo and caught the plane from Dubbo. That is five hour trip. Back in the 1960s Airlines of New South Wales used to land in Wilcannia I think three days a week and the fare was £64 back in those days. Mind you, 35 years ago we had our mail delivered to our door every Saturday; now we travel 20 kilometres a week to pick it up. So I am not sure whether we are going forwards or backwards in those fields.

I am not critical of Rex but when there is only one airline they can virtually rule the roost in airfares. Competition is the way to bring it down, particularly in Dubbo with QantasLink and Rex there. Adelaide and Broken Hill from here, they have got to make money, they are making good money, but I think there could be some flexibility in fares there. I think there could be more than two or three seats or whatever it is on the flexible fare. We had booked and paid six weeks in advance and three days before the flight they had tickets cheaper than the ones we bought and they cannot explain it. If you try to contact Rex you have got to go to their website.

But there has got to be more flexibility and of course there has got to be competition to make it work. Cobar now has Brindabella coming in I think twice a day with a direct connection to Sydney. That has now been bought out by Aeropelican, or a two-thirds share or something. But it was only hard work by the Cobar council that got that up and running because, with the mining situation in Cobar, everyone had to drive through to Dubbo to catch a plane to go to Sydney, which is another three-hour drive. As long as there is competition and as long as they are making money, I guess, otherwise they will not be here.

The Hon. STEVE WHAN: I was trying to find the appropriate program for the airstrip. It does not look to me that it would be eligible for things like disaster resilience funding. Have you heard of any programs at all?

Mr ELLIOTT: There is a program at the moment. I was speaking to an engineer in Wilcannia and he is putting a submission to the next council meeting hopefully to have it passed to try and get some funding. But that funding is on a dollar for dollar basis. We will have to get on to the State Government to get the shire some more money.

The Hon. STEVE WHAN: I am not sure if we are going to make specific recommendations, Mr Chair, but it does seem to be an area that to me initially looks as though it might fall through the cracks. We can investigate that further.

Mr ELLIOTT: Perhaps it can be noted as a concern to pass on.

The Hon. STEVE WHAN: I think what you have said in your statement probably covers a lot of what we could ask about here, but would tell us a bit more about the economic impact of the information you had in your submission on export of stock?

Mr ELLIOTT: Yes. I will table these and these are confidential to the Committee only.

Documents tabled.

On 7 or 8 October there was a road train—which means two semitrailers one behind the other—loaded with goats at 10 o'clock in the morning. There were about 1,442 goats on the two trailers. In the submission it says that they left the Burndoo goat depot at 10 o'clock in the morning. Unbeknown to the truck driver there was 40 to 50 points of rain back towards Wilcannia across the dirt road. The truck got bogged in the table drain and it stayed there overnight. They jumped the goats off the truck the next morning and walked them eight kilometres down the dirt track known as the goat track, which is the Cobb Highway. The last photo I think is just so graphic of it. That mob of goats was worth \$100,000. They had to be in Adelaide on the Thursday morning to be vet checked on the Friday to be flown to Malaysia on the Sunday morning in the jumbo. The cancellation fee on a jumbo is \$250,000.

It is all very well to look at the weather map and try and work out what day it is going to rain, but these are thunderstorms that just come across the road. It cost the people between \$5,000 to \$8,000 in time, vehicles and extra staff to walk those goats down the road. They walked them eight kilometres and got them to a makeshift set of yards. They had to do a makeshift set of yards. They had to get another two transports in. They had one from Wilcannia and I think one of the road trains was able to get out by then and do the job. It was a huge cost. They have set up another goat depot in Ivanhoe with the idea that if something happens they can load out of Ivanhoe. But Burndoo would give more goats than Ivanhoe, so they may not have enough goats in Ivanhoe to fill an order to send it off. We are talking export here—big money. Goats, as you know, bring in around \$45 or \$50 at the moment. It is a massive business out there.

We think our businesses are big on the land but we sell stock probably twice a year. We sell cattle every September. We have only got to worry two or three times a year, but these guys are doing it every week. They are sending out B-doubles and road trains. Rick Gates is the vice-chairman of the Goat Industry of Australia. You would have heard him on the radio and in all of the newspapers this last week or so. The goat population is around 2.1 million and they reckon it is going to jump again. So there is an endless supply of goats and an endless supply for that business to keep going, but if it is going to be ruined and markets are lost—they almost lost the market due to the horse virus up in Queensland because the Malaysians thought that was tied up with goats and whatever. That was a very long bow but it was fairly serious for a while in case they lost that market. The rest of the goats go down to Wangaratta or somewhere down south for processing, which means they have still got to tackle that road. They have still got to go through the Mount Manara hills and so it goes on.

Those photos have been taken over a period of time. The shire do their best but they go out and they might spend \$200,000 on that road and get it perfect. Whenever I go through Ivanhoe I mention to the mayor that the road is perfect; the next day it is just corrugated. It all depends on the weather and the wind blowing and everything else and also the amount of traffic on it. There is a fair bit of traffic going on it at the moment. Mining trucks and that on the Balranald to Ivanhoe road are fairly horrific, and we are talking 40 kilometres. So Mildura markets, Swan Hill, Wagga, Bendigo all go down through that area.

When the road was cut off out of Wilcannia back in January any transports that happened to get to Wilcannia and then discovered it was closed overnight or whatever, they could not go down the Ivanhoe road because it was closed. Every time it is closed I send Rick Colless the email to let him know it is closed. He is very appreciative of them, I can assure you. The other day we went to a field day just out of Ivanhoe. Thunderstorms at 10.30, all the roads were closed. Five fires started immediately, the rain put them out fortunately. We were two hours going from Kilfara back into Ivanhoe. When we got to Ivanhoe we headed home and all you could see were holes in the road full of water. Every one you hit goes over the windscreen and everything else.

The shire is quick to close the roads and I do not blame them. The more they are mucked up the more maintenance they have got to do and the more money they have got to spend. They have limited funds coming through for those sorts of things.

The Hon. STEVE WHAN: How long are they usually closed for? I know there was quite a long period in January.

Mr ELLIOTT: January was unseasonal, but up to three to four days. Normally they go out in the morning and if there is rain they get reports through that it is closed that day. Probably the next day, depending on the amount of rain obviously. But I think in the report it was closed for 46 days in six months.

The Hon. STEVE WHAN: I remember looking on the internet at one stage I think around July and it was still saying it was closed.

Mr ELLIOTT: We get a road report every day of anything that is happening that is sent around everywhere and everyone basically knows. Getting back to the January situation where the Barrier Highway was closed this side of Wilcannia, trucks virtually had to go right back to Cobar, down the Kidman Way to Hillston, Hillston to Goolgowi, across to Hay, Balranald, Mildura and back up to Broken Hill or through to Adelaide. It is a massive cost. It was an act of God with the flooding and everything else, we realise that. I think the highway was closed for three or four days or something. It might have been more.

The Hon. Dr PETER PHELPS: How much of the Cobb Highway still remains to be sealed?

Mr ELLIOTT: I believe it is 140 kilometres from Ivanhoe to Wilcannia and 40 kilometres from Ivanhoe to Balranald. That is not actually the Cobb Highway. The Cobb Highway goes from Wilcannia to Moama.

The Hon. Dr PETER PHELPS: Do you think it would be feasible for a toll to be placed on that road if it were to be sealed?

Mr ELLIOTT: No, I do not, quite frankly.

The Hon. Dr PETER PHELPS: Why not?

Mr ELLIOTT: We are out west but we are not out of touch. We go through a fair bit out here and do not get a lot of services that city people click their fingers for and they are there.

The Hon. Dr PETER PHELPS: It is just that you mentioned the M2, M5 and M7, all of which are tolled in Sydney at a rate of about \$10 per semitrailer. There is also the Lane Cove Tunnel, the Military Road E-Ramps, the Eastern Distributor, the Sydney Harbour Bridge, the Sydney Harbour Tunnel and the Cross City Tunnel that tolled. Why should there not be some sort of contribution from the users of this new development toward the cost of building it, especially considering there will be economic advantage to them if it is built?

Mr ELLIOTT: My point was simply if something happened in the Sydney metropolitan area or up and down the coast there is money available all the time.

The Hon. Dr PETER PHELPS: Yes, but the instances you specifically cited were instances where these things were either built, such as the M3, which had a toll which was subsequently removed, or which currently have a toll on them. I do not see why city people should be paying tolls and country people should not be—is there a good reason why that should be the case?

Mr ELLIOTT: I think there is, because we go without a lot of facilities and services out here that are available in the city. We connected to the grid electricity for \$53,000. In Sydney it cost \$120. I do not know what it is now. We paid that over 20 years, 212 of us. That was over both Governments. We fought long and hard to try and get those facilities out here. We cannot duck down to the cinema and have a look at the movies every night. We cannot go and have a coffee at the local coffee shop. We have not got hairdressers. Businesses just are not here. Why should we out here be disadvantaged to the point of having to supply all this?

The Hon. Dr PETER PHELPS: But a truck which, for example, would be required to pay may be \$10 a trip, could then write it off its tax as a business expense.

Mr ELLIOTT: I think if you started tomorrow morning and sealed the highway, in my personal opinion, truck drivers would be happy to pay.

The Hon. Dr PETER PHELPS: May be we are talking at cross-purposes here. I was specifically talking about truck usage rather than cars—the commercial aspect of it—do you think that would be—

Mr ELLIOTT: I cannot speak on behalf of truck drivers but if I could see 140 kilometres of sealed road, or a full bitumen road from Wilcannia to Ivanhoe, if I were a truck driver I would give you \$5 or \$10. But that is up to the truck drivers. I do not think it is a reasonable proposition—I really do not.

The Hon. MICK VEITCH: It is not the view of the Committee, we should clarify. Mr Phelps was just testing it.

The Hon. Dr PETER PHELPS: Testing the waters.

Mr ELLIOTT: Are you going to put automatic toll gates and everything else up?

The Hon. Dr PETER PHELPS: Why not?

Mr ELLIOTT: While you are doing that perhaps you might bring mobile phone coverage down through Mount Minara. Once you leave Rosewood until you get down the other side of Mount Minara we have got no mobile phone coverage—you might be able to incorporate that as well. These are some of the things we have not got. In Dubbo the other day they launched 4G. We have not even got 1G in a lot of the area yet. I asked the guy about the National Broadband Network which we were talking about earlier on—if it comes to Broken Hill we are going to be 300 kilometres from it—he said, "Don't even think of it, there is no way they are going to bring NBN out home". But if you are in the city, press a button, you have got your iPad and your iPhone and all these things.

The Hon. Dr PETER PHELPS: That is because there are economies of scale in the city—you would recognise there are economies of scale—any commercial operation goes where they are likely to make money.

Mr ELLIOTT: True, but it is a service to the community that these communities out here should be able to get. We are not asking for anything special, just what everyone else takes for granted.

The Hon. SCOT MacDONALD: It sounds like you have been working out here for quite a period of time—decades probably—you are obviously working through your local members and people like the Hon. Rick Colless, Chair of this Committee. Can you build an economic case for a game change—whether it be new industries or emerging industries—like the goats or the cattle, or other produce? I do not think it matters what political persuasion the Minister for Roads comes from, they are always going to be balancing needs, as you were discussing with the Hon. Peter Phelps. Is there an economic case for a game change here?

Mr ELLIOTT: Places like Wilcannia, in the submission I have here, the first new business in 20 years was the coffee shop that was opened up six months ago. They are going crazy running out of milk for the tourists coming through. That is an indication. They have spoken previously of what tourism is going to do to the area. There might be X number of cars up that highway at the moment, but once it is sealed, it is like the Kidman Way and all the other ones, tourism is going to flourish to the hilt right through. The grazing industry is cattle, sheep and goats and wool and that is basically it. A lot of people in the Wilcannia and White Cliffs areas access those southern markets. I do not believe mining will affect north of Wilcannia or east of Broken Hill at

this stage—although there are large mining explorations going on around Tilpa. A grazier up there has just baled 3,000 bales of hay which he has taken off the flood plain.

The Hon. SCOT MacDONALD: With supplementary water?

Mr ELLIOTT: No, it is just the natural rain and everything else in the black country. That is 3,000 bales of hay that have got to go somewhere. They are probably not going to go down south. They will probably come out around this area for sewerage and fodder. I cannot see any big businesses that are going to be brought in at the moment but that is not to say that people like Gates Goats should be scrubbed aside, just because they are the only major industry operating at the moment.

The Hon. SCOT MacDONALD: If you had a wish list which is the priority: is it the Cobb or Silver City highways or the Ivanhoe to Menindee Road.

Mr ELLIOTT: I have not been on that Ivanhoe Menindee road—I have never travelled it. Everyone has their own little forte. In my position, the way I have been going, is the Cobb highway and down to Balranald to get those southern markets up. It is bitumen from Pooncarie through to Mildura. The Silver City highway is just as deserving and the Hon. Peter Phelps and I have spoken at length at various functions about the need for that. The submission that I put in was based on the Hon. Rick Colless's inspection which highlighted various aspects, for example the tourism, and further up into Queensland. If the roads were sealed you could start at Moama and go right through to Brisbane. We have been talking about tourism for years and Broken Hill has been surviving on it and the back country has been surviving on it. We have got tourists staying from Brisbane at the moment. They arrived last night. They are coming from everywhere. Mining is going to be the big thing for Broken Hill—no doubt about that—Broken Hill is more than a dot on the map now. Who knows where mining will end up—we may need all our roads sealed.

CHAIR: Mr Elliot you were talking about your rate bill. Your property is in Central Darling Shire?

Mr ELLIOTT: Yes.

CHAIR: Are you aware of what the equivalent rating is for those properties in the unincorporated areas?

Mr ELLIOTT: I do not think they pay rates in the unincorporated area. I may be wrong, but as far as I know they do not pay rates.

CHAIR: They would have to make a contribution of some sort towards their zoning structure. I might explore that with someone else.

Mr ELLIOTT: I do not believe they do. I might be wrong, but I am sure they do not pay rates.

CHAIR: You spoke about the costs associated with the goats being caught in the wet weather and the \$250,000 cancellation fee on the jumbo. There has been a couple of cases, has there not, where those business people have been required to pay that cancellation fee?

Mr ELLIOTT: Gates Goats do not pay the cancellation fee, as far as I am aware. It would be the forwarding agents that buy the goats from them to put on the plane. However, I believe there has been a case where that has happened.

CHAIR: So that cost ultimately would come back and be recouped somewhere?

Mr ELLIOTT: It would have to go somewhere, if it was on a regular basis. But as I said to the Roads Minister and yourself, I spoke to that woman on the night it all happened and it was not good.

(The witness withdrew)

RAYMOND JOHN LONGFELLOW, Mayor, Central Darling Council, sworn and examined:

TIMOTHY FRANCIS DREW, General Manager, Central Darling Shire Council, affirmed and examined:

CHAIR: Are you conversant with the terms of reference for this particular inquiry?

Mr LONGFELLOW: I am indeed. I am from Ivanhoe and I own the post office in that particular town.

Mr DREW: Yes I am.

CHAIR: Would one or both of you like to make a short opening statement?

Mr LONGFELLOW: Thank you so much for the privilege of being able to address you today. The Central Darling Shire is the largest council in New South Wales at over 53,000 square kilometres. There are four main towns: Menindee, Ivanhoe, Wilcannia and White Cliffs along with three smaller settlements, Sunset Strip, Tilpa and Darnick. Our economy is primarily based on agriculture. However we are expecting our economy to diversify into an increased level of mining activity in the future.

Our people are hard working and resilient. We have an aging and declining population but few plans as to how we are going to care for them and meet their future needs. We need to harness the potential of our youth and Aboriginal people. We have a growing Aboriginal population—many young Aboriginal people aspire to a better life than some of their elders. We must better understand their aspirations and provide the tools and mechanisms for them to achieve their goals. We have the State's second highest disadvantaged rating, behind Brewarrina. We have disproportionately high levels of crime and pockets of disadvantage amongst the Aboriginal community. Our towns are in need of a large capital investment to upgrade infrastructure, such as public toilets, sporting and recreational facilities. The list can go on. Generally there is a need to beautify the communities so they are an attraction for those who wish to come out there for tourism.

Road transport infrastructure is critical for the social and economic development of the Shire. It provides the backbone for the movement of people and goods to where they need to go. We have key roads in need of development. The Menindee to Pooncarie road needs sealing to enable fruit growers to get their produce to the markets in the south. The Cobb State highway needs sealing between Ivanhoe and Wilcannia. This will improve the social and economic links to the regions south of us in New South Wales and beyond into northern Victoria. The National Broadband Network is absolutely critical to the future of the Shire, for economic development and the social development of our youth. For it to take up to 10 years to reach our communities is unacceptable. However, I recognise that is a Federal responsibility. The replacement of the Wilcannia weir is a project that has been talked about for over 10 years.

The time for talking in relation to this project is over. The community's view is clear. They want a weir to proceed and the State Government should facilitate this in the next two years. This project will secure the town's water supply, lead to improved cultural outcomes for Aboriginal people and provide a boost for the town in its tourism and to the passing public. State and Federal Government agencies need to show an increased level of commitment and invest in a meaningful way into Wilcannia and the rest of the Shire. The drive-in, drive-out model of service should be replaced by a commitment to build housing in the towns and base staff in the towns or in a town. There is a general lack of housing and other developments across the shire, which could be stimulated by government investment into our towns through the permanent location of a greater range of services in those towns.

The Hon. SCOT MacDONALD: You say mining is coming. When?

Mr LONGFELLOW: That is coming from the southern part back towards what is known as Hatfield, towards Balranald. This is sandmining as well as being developed by the same Yanco mining industry.

The Hon. SCOT MacDONALD: Is that for silica?

Mr LONGFELLOW: That is silica. I believe there are other minerals associated with it as well. They approached council some six weeks ago about the upgrading of the road coming from Balranald to see if we had any future plans for it regarding the completion of sealing. Naturally it is money, and unfortunately we do not have much.

The Hon. SCOT MacDONALD: When you get a potential development like that do you then talk to anybody in the State Government, whether it be minerals or whoever to say, "It looks like there might be an economic project coming up down the highway. We might be able to justify it where we haven't been able to do it before."? Do you pick up the phone or talk to the local member or anything like that?

Mr LONGFELLOW: I believe the local member has been spoken to about it and is quite aware of it. Apart from that, because of the time frame we have not been in contact or visited the Minister responsible. However, I can assure you that he will have a knock on his door shortly.

The Hon. SCOT MacDONALD: Is that a big project you are talking about?

Mr LONGFELLOW: They are talking about a mining—I think it is about a 15-year, 20-year life span.

The Hon. SCOT MacDONALD: And a big value to it?

Mr LONGFELLOW: Yes.

The Hon. SCOT MacDONALD: Is that the only one or are there other mining projects on the horizon?

Mr LONGFELLOW: There has been some activity to the north of us, heading towards Cobar. The outcome to those, we have not been made aware of, but there certainly has been some work done.

The Hon. Dr PETER PHELPS: How many ratepayers do you have in your shire?

Mr DREW: It is approximately 1,200 ratepayers.

The Hon. Dr PETER PHELPS: Presumably that means that the total rates which you receive are quite inadequate to do anything more than basic maintenance work, much less new infrastructure?

Mr DREW: Rates are certainly inadequate. They account for 10 per cent of our total revenue.

The Hon. Dr PETER PHELPS: Does the rest come from Federal assistance grants?

Mr DREW: Most of our funding comes from grants, whether from Federal or State sources, certainly. But to have only 10 per cent of our revenue base come from rates is unusual in local government. I think the State average is about 47 per cent. I am not sure what the regional average is but we are well below par.

The Hon. Dr PETER PHELPS: The next question is the difficult one. Would your ratepayers, as individuals, be better off if they were part of an unincorporated area, resolving themselves into village councils?

Mr LONGFELLOW: There is for and again. I think I will relate it back to what a previous speaker had to say about that. If you are going to replace it, replace it with something that is sustainable and can be carried forward. But to just pick up and say, "The easy way out is to go to the unincorporated" is not acceptable at all. To be frank and honest about it, to have raised it the way that it was raised was incorrect and I thought it was pretty bloody minded. Without consultation with whole of council and the ratepayers within the council area, I thought it was absolutely out of order.

The Hon. Dr PETER PHELPS: Is there perhaps something wrong in the funding model which grants \$100,000 to two communities in the unincorporated area each and only \$100,000 to your entire shire? Are you suggesting that there something wrong with the funding model itself?

Mr LONGFELLOW: I am saying there is an inequity there, definitely.

The Hon. SCOT MacDONALD: What was the name of the road again? I did not write it down. Balranald to?

Mr LONGFELLOW: That runs from Ivanhoe to Balranald.

Mr DREW: It is commonly known as the wool track or part of the wool track.

The Hon. STEVE WHAN: Earlier you expressed concern about the drive-in, drive out services from government that only stop a short time. What sort of government services are you wanting to see located in Wilcannia? How would you coordinate them better, particularly if those services only justify a part-time position or something like that? How would you like to see those services better coordinated to result in a permanent presence in the town?

Mr LONGFELLOW: I think that can be achieved by working with the council and perhaps giving council the lead in that. We have 50 plus agencies in and out of the town and it is absolutely ridiculous. It takes them half a day to get there, half a day to get home and I do not know what they do when they do get there because it is so short a period of time. I think council has a bigger role to play with that. That is something I will credit the Minister for the west for; that is something that he is pursuing.

Mr DREW: I think the key services we are talking about relate to human services, community type services, typically provided by a range of Federal and State government agencies, as well as some non-government organisations.

The Hon. STEVE WHAN: In terms of State-funded things, what would be the split up of direct government employees versus not-for-profits or non-government organisations that are delivering such services? When non-government organisations are providing government-funded services, are you happy with the way that the tender process runs to provide those services to your towns?

Mr DREW: I am not sure of the exact proportion in terms of State agencies compared to non-governments but it might be something in the order of 70-30. We have a handful of non-government organisations providing services to mothers and children in particular. In terms of the second part of the question, which was—

The Hon. STEVE WHAN: In many cases where non-government organisations are providing services, over recent years they have started to go to competitive tenders and in some cases the organisations delivering those services change regularly or have changed from the original providers. Are you satisfied that in that process the focus on how to deliver those services more efficiently to places like Wilcannia is being kept in mind?

Mr DREW: I think generally the tendering and contract management arrangements are lacking in relation to the change in providers and how the tendering process works. I am not aware of the background to that but just as a general statement in relation to tendering processes I am not sure that the one-size-fits-all approach necessarily works in Wilcannia or in other parts of the shire. I will give you an example of that. Over the last two days, Wednesday and Thursday, we have been dealing with the Office of Water in relation to a water and sewer project in Wilcannia. It seems to be a perennial issue when these tenders are being developed and the agencies coming to liaise with us as a council do not take into consideration the employment or the use of local contractors or local people. The agencies have their tendering objectives, which are to get a tender out, make a decision and base it on the standard set of criteria, which are heavily weighted around financial considerations.

The discussion we had over the last two days, once again, was in relation to the use of local people, local contractors and providing opportunities for local, particularly Aboriginal people, to receive training and traineeships through this contract. When we get to the point where we have a discussion like that with the Office of Water or through public works it is really too late because their objective is to let the tender, put the tender out, make a decision and you get the contract underway. It is almost too late. This is not to denigrate any of the staff we have spoken to over the last couple of days. They are doing their job and playing their part. But it is not high on their radar, and it needs to be higher.

The Hon. STEVE WHAN: Is there a role potentially for a locally based or regionally based body in the tender process to try to pull together some of those different streams, to coordinate them?

Mr DREW: I would think so. I was having a discussion with the mayor this morning before coming in here. Generally speaking, we are of the view that there is opportunity for the State Government to base more permanent services in the town of Wilcannia in particular but other towns, as the mayor said.

The Hon. Dr PETER PHELPS: Such as?

Mr DREW: Some of these community services and health services we are talking about. There is no base for property management or Crown lands around the area. We have a huge amount of Crown lands and national parks as well. We have regional bases in places like Dubbo and Broken Hill but nothing in between for State services. The Roads and Traffic Authority [RTA] is another perfect example of where there could be a local base in Wilcannia simply because of the amount of RTA work that we do. It is something that could be given more consideration.

The Hon. STEVE WHAN: In terms of the amount of RTA work you do, what percentage of the work that your road crews do is funded by the RTA or by grants and, for that matter, in the last year or so by disaster funding? Presumably that has been a large part of your funding.

Mr DREW: I am not sure of the exact numbers but it is certainly a high proportion. We have a contract with the RTA for road maintenance and that is not specifically grant funding so much as a contractual arrangement. Roads to Recovery is certainly worth a significant amount to us and helps us with the development of five of our key roads over a rolling five-year cycle. But we are reliant, to a very large extent, on grant funding for our roads.

The Hon. STEVE WHAN: How many people do you employ in your road crews?

Mr DREW: We do not have road crews as such. We contract out our road maintenance and construction.

The Hon. STEVE WHAN: You mentioned the growing Aboriginal population in a number of centres. Do you have any thoughts about things that this Committee could consider that would help to better engage young Aboriginal people in education and then through into the workforce? Are there things that you would like to see us considering?

Mr LONGFELLOW: Gainful employment is one of the main things. It is okay to come in and give a hug, I suppose, with a project that will run for 12 months, two years. But at the end of the day when the time for that particular funding runs out what do they do? So the thing that we have got to search for is meaningful and gainful employment for those people. They have got to learn a trade. How can they learn a trade if they are not being encouraged to do so? We have not got—well, we may have one in Wilcannia but overall we have not got a plumber, an electrician or a builder living in the shire. So the emphasis should be on teaching or helping these kids get to a level where they can get that gainful employment and they can be retained within our council area and can go on to better things.

Mr DREW: If I can just add to what the mayor has said, there are probably two key ways in which this can happen. One is council and other organisations in town can provide more in the way of traineeships for young people and young Aboriginal people who are still of school age. They can do school-based traineeships to give them an experience in the workplace, get them used to the working environment and what to expect once they leave school. The second key point I think in this comes back to the contract and the tender situation through State and Federal government agencies and structuring their operations in such a way so that it is not that we come in, we employ contractors from outside—and that can be from New South Wales, South Australia, Queensland or elsewhere—and not have any local content or local training.

We need to structure those contracts and operations in such a way that from the very start the traineeships and the engagement with the local people are higher up the list of priorities when it comes to evaluation criteria. Also to better plan activities so they do not all happen at once and so that there can be a continuation through projects. You do not necessarily get a contractor from outside to come in, do everything in one hit in three months or six months and then disappear out of town. So better plan the delivery of services and infrastructure over a longer time period to allow for continuation of training and employment.

The Hon. STEVE WHAN: You heard the comments before on the Emmdale airstrip. As the owners of this strip, what are your thoughts on sources of funding to get that upgraded and what sort of priority does council place on that?

Mr LONGFELLOW: It is virtually the only airstrip within the council area now that is not sealed, so naturally we have a very high priority for it. We are trying to source funding. As was indicated earlier, there is funding coming through from the Federal government, as I understand, and our engineer is actively pursuing that.

The Hon. STEVE WHAN: Do you know what program that it is coming out of? Perhaps you could take that on notice and let us know?

Mr DREW: I will, yes.

The Hon. MICK VEITCH: Just how much of your shire is non-rateable land as a percentage?

Mr DREW: That is a good question. I do not know the answer to that. If I am sounding like I do not know some of these things it is because I have been in the job for two months and I am still trying to find out what is what and what is going on. I do not know if the mayor knows.

Mr LONGFELLOW: I do not know offhand but you are talking about national parks, I assume?

The Hon. MICK VEITCH: Crown lands, national parks, State land and forests.

Mr LONGFELLOW: We will certainly get the figures to you. It is a substantial amount.

The Hon. MICK VEITCH: Is that an issue for your council, the amount of land that is State-owned and that is not rateable on which you lose the opportunity of income?

Mr LONGFELLOW: We were told that when the areas were created as national parks they were going to create tourism to the extent that it would counterweigh the input that was coming from the previous owners of them. However, that just has not eventuated.

The Hon. Dr PETER PHELPS: As predicted.

Mr LONGFELLOW: As predicted.

The Hon. Dr PETER PHELPS: Any Greens listening to this should take note.

The Hon. MICK VEITCH: I have been asking most of the witnesses the same questions around air services. How much of an impediment to the growth of council area is the current arrangement for the provision of air services to this part of New South Wales, or to your part of New South Wales?

Mr LONGFELLOW: In my case at Ivanhoe I travel 256 kilometres to Griffith for an air service. From Wilcannia they have to rely on Broken Hill. So it is an impost into the costs that are involved in having to drive and the time that it takes to get there. In my case this morning I travelled over from Ivanhoe, which will be a 650-kilometre round trip. So it gives you an indication of the vast distances that we have to travel. But for the airlines it is either Broken Hill and/or Griffith from my end, or Dubbo also.

Mr DREW: I am not sure that there is a great deal that can necessarily change for the Central Darling Shire in that area. Obviously the provision of airstrips in our council is important for a rural flying doctor and emergency services. It is also important in terms of people needing to access the towns and localities for other purposes. I note there are a lot of airstrips on pastoral property where they fly tourists in and out of. So it is certainly important from a tourist point of view that they can get into the council area in some way. But I think in terms of the general operations and what we do and what a lot of other people do, there is not a great deal that can be done because we are not realistically going to get commercial air services into Wilcannia or Ivanhoe to deal with that distance issue. What we rely on, as you have heard earlier, is having the reliable road network to get us to those hubs so that we can then get on from there.

The Hon. MICK VEITCH: From council's perspective what are the top two or three regional development issues in this part of the State? It is roads ahead of water, for example? What are the three things you think are important—in order, if that is possible?

Mr LONGFELLOW: It is not a bad question, that one. We have a duty of care. Naturally roads are part of that. Continually we find, even with the Cobb Highway which is a State-owned highway, we have to go and more or less beg for money at times when we have a crisis such as was talked about with the rain and/or in the extended period of the drought where it was cutting up badly all the time. So I would put an emphasis on the road network that we have, the infrastructure that needs completely rebuilding, if you like, from the bottom up. Housing is a big issue. I believe that if you were to go through the whole of the western area it would almost be the same. Water is always an issue. I think the Murray-Darling Basin report which everybody waited so anxiously for is at this stage restraining—if I can use that word—in the sense of investment because of the probability or the possibility of outcomes regarding that very investigation. I think that water naturally for the west is very important.

Mr DREW: As I said before, council has five road projects where it rolls its Roads to Recovery funding across over a five-year cycle. Some of these roads have already had a fair mention. Obviously the Cobb Highway is one of those. The Menindee to Pooncarie road is one of those. The other road that got mentioned earlier, the wool track, the Balranald-Ivanhoe road, is up there in terms of priorities. I am not sure what the other two are, Mr Mayor?

Mr LONGFELLOW: It is also the wool track again both north and south that goes on that priority list and the Kayrunnera-White Cliffs Road.

The Hon. MICK VEITCH: This morning someone on my right asked a question that in days gone by the Department of Premier and Cabinet used to have coordinators in regions and they coordinated meetings three and four times a year with all of the government agencies and local government. It appears those meetings no longer occur. Do you see value in that arrangement where you have regular opportunities to meet with all of the State government departments within your region to put forward issues and work through a range of things?

Mr LONGFELLOW: I think that is something that I have discussed with the general manager. I think it is imperative that that type of discussion happens on a regular basis. Quarterly is probably ideal, but at least half yearly. I think it would be of great benefit to all concerned if that was to be the outcome.

Mr DREW: I certainly agree with that. You would be aware of the remote service delivery program being coordinated through the Council of Australian Governments. That is an attempt to try to bring all the services together to help better coordinate and deliver services for Aboriginal communities across Australia. Wilcannia is one of the 29 sites. So that is working to try to improve outcomes on a global basis for the Aboriginal community. But there is no similar scheme or coordination process across the broader range of operations from State and Federal agencies.

CHAIR: Just returning to the issue of roadworks, when you say that your roadworks are all done by contractors, is that all to the Roads and Traffic Authority or are there private contractors?

Mr LONGFELLOW: Private contractors.

CHAIR: Is it all private?

Mr LONGFELLOW: Yes, by tender.

CHAIR: Are you happy with that arrangement? Do you think that you have been getting a good service delivery from that process?

Mr LONGFELLOW: Yes, I do. The reason I say that is that in the event of any downtime the contractor wears it; whereas if we have got people employed and we have got to invest in the machinery that goes with it downtime it is lost money. I think that the employment of contractors is a very viable way to go. We are not in the best of positions at the moment and I would hate to think of what we would be like if we did not have contractors.

CHAIR: Is that process competitive, or do you have a number of preferred contractors that you give most of the work to?

Mr LONGFELLOW: No, it is put out for tender.

CHAIR: Can I ask you about the Pooncarie to Menindee road. In your submission you state that when that road is closed it results in an extra 300-kilometre round trip. Can you explain to the Committee why that is?

Mr LONGFELLOW: If the road is closed, naturally the round trip is talking about having to come to Broken Hill and then down to Wentworth. That is the actual impost that is on that.

CHAIR: That road from Menindee to Broken Hill and then down to Wentworth is all sealed, is it not?

Mr LONGFELLOW: Definitely, yes.

CHAIR: Can you tell us how long the Pooncarie to Menindee road was closed for during the period of high river flows? It was for a long time.

Mr LONGFELLOW: It was for a substantial amount of time, yes.

CHAIR: That is because a large section of that road runs adjacent to the river, does not it, and it was actually underwater?

Mr LONGFELLOW: Yes, it does.

CHAIR: To seal that road would require substantial rerouting to put it on to higher ground. Is that a fair comment?

Mr LONGFELLOW: That has been looked at and we have had trouble with landholders with that. There was an inquiry, if you like, into that. The landholder concern is still there. I believe we still have a problem. But, yes, the only way to do it would be to reroute it on to the red country.

The Hon. Dr PETER PHELPS: You talked about the large amount of State land in your shire. Is that State land because it is basically economically unproductive and so has, if you like, made itself State land because no-one wants it, or is it because the government has decided to hold it?

Mr LONGFELLOW: A bit of everything. To be quite frank about it, I think that most of the land that was acquired by the government was quite productive. There is some which is Aboriginal heritage, but the majority of it—in fact I would say 90 per cent of it—was very productive country.

The Hon. Dr PETER PHELPS: In relation to your road contractors, are the contractors you employ locals from within your shire?

Mr LONGFELLOW: Some are; some are not. The major contractor is within the shire.

The Hon. Dr PETER PHELPS: Is there any thought of limiting the contracts to businesses within your shire, or do you believe that would be unduly restrictive?

Mr LONGFELLOW: As I just said, the major contractor is within the shire and lives in my home town.

The Hon. Dr PETER PHELPS: Do you have a clause in those contracts that would mandate a certain level of Aboriginal participation in the work, or do you believe it would be useful to have something like that as a contractual subcomponent?

Mr DREW: I am not aware of those terms of the contract but would it be useful, most certainly it would.

The Hon. Dr PETER PHELPS: There was a question raised earlier which no-one knew the answer to so perhaps you will—do people in unincorporated areas pay rates?

Mr LONGFELLOW: Yes, they do pay a fee.

Mr DREW: They certainly do not pay rates to Central Darling Shire Council.

Mr LONGFELLOW: I wish they did.

The Hon. MICK VEITCH: they pay a fee as opposed to a rate?

Mr LONGFELLOW: yes, as I understand.

CHAIR: Further to that are you aware of what the comparison is in terms of the quantum of those rates compared to the rates your ratepayers might pay?

Mr LONGFELLOW: No I haven't researched that.

The Hon. STEVE WHAN: Are there any comments you have on the way that the natural disaster assistance for road funding has worked for your Shire over the last year or so. Have you been getting enough to do the jobs? Are there things you think should be changed in the way that works and the way the Roads and Traffic Authority relates to you in that process or any comments on the fact you can only bring up to existing standards infrastructure.

Mr LONGFELLOW: I will lead off and let the general manager finish. The way the structure is you have to do the work before you get the money. If you haven't got the money the council has to borrow the money from somewhere. In a number of instances we have. I would like to think there is a more equitable way of doing it. If there is a valuation put on it and it is done by the Roads and Traffic Authority and agreed to by the council surely that money should be made available immediately for that work to progress. To put the impost on to the council I think is quite wrong. As I said we either borrow the money or go into overdraft. It needs looking at and I believe it is quite wrong the structure of it at this point.

Mr DREW: the amount of funding we have received recently in relation to the flooding is in the order of a million dollars or something of that nature I believe and we prioritise the spending of that flood damage money over and above normal activities and operations. So the situation we are facing at the moment is trying to get the work done for the flood damage funding. So what that has resulted in is a lot of other work has been put to the side which will be back logged now over coming years.

The Hon. STEVE WHAN: As to using contractors, would you not be able to bring in additional contractors.

Mr DREW: I am not sure exactly how that arrangement works. That was the point I was getting to, we need to rethink perhaps how we cater for these events and it does not necessarily have to be major flood events that throw things out of whack for us. As you have heard today from Mr Elliott, even smaller road events mean we have to close roads and there can be significant damage to the roads particularly if heavy transport gets caught on them and we have to go back and do some remedial work on those roads. We get a lot of those smaller road events that impact significantly on our operations because of the unsealed nature of our roads. I think there is an opportunity for us to rethink having some sort of provision every year and it has been brought up in other forums and in other ways that we rethink what we do so we cater for some level of unplanned activity every year and that would help us better schedule our operations when these things do happen.

The Hon. STEVE WHAN: On the betterment, the ability to better a road, does that cause frustrations for you, that you are only funded to bring it up to an existing standard?. What would you like to see happen in that area, recognising that none of the governments have unlimited funding purse strings.

Mr DREW: I can best illustrate this by reference to the Roads to Recovery funding that we do receive. A million dollars will enable us to seal about five kilometres of roads. As I mentioned earlier, we are doing our best to meet that commitment every year and rotating it around the roads. The Cobb highway has 140 kilometres of unsealed road, the Menindee to Pooncarie road, another 100, and that section of the Balranald Ivanhoe road, 27 kilometres of unsealed road. The sealing program—I don't know what that equates to in years—but it is probably going to be long beyond my tenure at council and perhaps long beyond the mayor's as well. That is frustrating and you have already heard the frustration of the local community.

The Hon. MICK VEITCH: I would like to follow up about the improvement or betterment arrangements. It is not just that issue around roads. Flooding events also impact on other council operated infrastructure, whether they be swimming pools or footpaths or whatever. The issue around improvement or betterment relates to other infrastructural obligations you have as a local government. In your mind, is there a

better way for this to be delivered? In the longer term it would save the Government money if they could allow local governments to improve things after a flood event, so it doesn't happen again.

Mr DREW: It is interesting. If you have a flood event and there is a low point in the road, naturally that is where the water is going to go across. With the funding as it is presently you can only restore it to what its normal level is.

The Hon. Dr PETER PHELPS: So next time it floods, out it goes again.

Mr DREW: It goes again and it keeps going on. There should be some consideration given to the improvement of and the long term availability of making that road passable. If it is blocked in one spot your road is gone. It does not matter whether it is five kilometres down the track or a hundred kilometres. But if you can improve it, to make it trafficable, then naturally it is for the betterment of everyone.

Mr LONGFELLOW: Before you finish up, commercialisation of National Parks, where does that sit?

CHAIR: That's the \$64,000 question for our Government, I am sure.

(Luncheon adjournment)

SUSAN ANDREWS, President, Pastoralists Association of West Darling, and

LACHLAN JOHN GALL, Councillor, Pastoralists Association of West Darling, sworn and examined:

CHAIR: Are you conversant with the terms of reference for this inquiry?

Ms ANDREWS: Yes.

Mr GALL: Yes.

CHAIR: If there is any evidence that you would like to tender as confidential during the process, please let us know and we will see that that happens. Would you like to make a short opening statement?

Ms ANDREWS: The Pastoralists Association of West Darling [PAWD] is an agricultural organisation that has been looking after the interests of land holders in the western division of New South Wales for more than 104 years. PAWD members are principally involved in the production of wool, sheep, cattle and goats. These industries contribute considerably to the economy both domestically and internationally. PAWD members also provide environmental services for free against a claimed cost of at least \$40 a hectare per annum to manage the State's national parks. The pastoralists control the grazing pressure on native plants, provide habitat for native animals and control pests. The majority of the pastoralists in the far west of New South Wales are in the unincorporated area of the State, which means that the ability to obtain funding through normal channels is restricted. What funding that is made available is usually used by the village committees in the area, leaving very little for infrastructure and definitely not on a big scale.

CHAIR: Mr Gall, would you like to add anything to that statement?

Mr GALL: No.

The Hon. MICK VEITCH: In your submission you talk about the fact that there are no spelling yards in Broken Hill. Can you walk the Committee through the issues that that causes and ways you could see to address the issue around no spelling yards?

Ms ANDREWS: We had spelling yards eight to nine years ago and they were taken down, basically. There was no mechanism for them to be—no-one would take control of them if they were rebuilt. They would not take the responsibility of managing the yards.

The Hon. MICK VEITCH: Who owned them—the council?

Ms ANDREWS: No, they were not owned. They were built by the railways, they were on council land, and they were run by the stock agents. When they were taken down the council did offer, I think it was about \$1, to give us the land to maintain the yards but the stock agents would not take the responsibility of running those yards because of occupational health and safety and insurance issues. So they were just taken down and never rebuilt.

The Hon. MICK VEITCH: What was the size of the yards? How many head did they hold?

Mr GALL: Five hundred cattle.

Ms ANDREWS: They were quite substantial but they were railways yards and they used to truck the cattle and sheep on the rail at one point from Broken Hill. We have acquired some land, in conjunction with the Livestock Health and Pest Authority, which is next to their buildings. It is in the unincorporated area and it is on a travelling stock reserve [TSR]. We tried through RDA to get some funds to build these yards but we were unsuccessful. Because we are in the unincorporated area it is hard for us to obtain funding through anything. It has been left up to the graziers who live close to Broken Hill to support—if the roads are closed, which happens with 40 points of rain, and there is a truck load of stock, they have to be unloaded at someone's property, with the health and occupational health and safety issues and everything else.

The Hon. MICK VEITCH: Is it your view that someone should be providing the spelling yards? Should it be the Government?

Ms ANDREWS: Yes, I would say government. There are not any spelling yards, because the Government has changed the laws for livestock handling and the amount of time that the livestock are allowed on the trucks and how many hours the truckies are allowed to drive. The closest spelling yards are at Jamestown in South Australia or Cobar or Yelta in Victoria.

The Hon. MICK VEITCH: Was the size of the spelling yards, when they were there, adequate or were they small?

Ms ANDREWS: No, they were quite adequate.

The Hon. MICK VEITCH: We have had some questions today about the fee structure and how the unincorporated lands operate. My understanding is that you are on a lease. Can you talk me through the security of that lease and any issues you may have around the lease?

Ms ANDREWS: It is a Western Lands lease so it is a 99-year perpetual lease. We have just had an issue with the wind farm where the Government stepped in. Normally when you have a wind farm in any area other than Western Lands leases, any money received from that wind farm goes to the person who owns the property. In our case the people who owned the property were told that they had no right to that money because it was Crown land, which was basically the bottom line. With the tenure of the lease, when you are trying to get money from a bank or whatever to build up your property it made it very untenable.

The Hon. MICK VEITCH: Mr Gall?

Mr GALL: I concur with what Ms Andrews has said. Further to that, it has been said that land that adjoins the Western Division in other States commands a higher price when it is sold because of the different tenure that applies to that land in the Western Division. People do not have necessarily as much confidence to develop their properties when they consider that may be taken away from them for the purpose of a wind farm or other purposes as the Government may see fit.

The Hon. MICK VEITCH: Can you talk through the issues relating to the provision of government services to the unincorporated area and the way those services are delivered?

Ms ANDREWS: In regard to?

The Hon. MICK VEITCH: Any of the government services that are provided to the unincorporated area. The accessibility for people living in the unincorporated area to any government service, such as health, education, whatever, some of the human services.

Ms ANDREWS: Because we are close to Broken Hill, I think that is where we would obtain government services. They do not have specific government services for the unincorporated area, as I see it. The flying doctor service is our health service, basically. They have to fight for every dollar they get from the government virtually, and we have an issue with the sealing of the runways in the major towns, which would make it more accessible if there was an accident or something like that.

The Hon. MICK VEITCH: We heard earlier that that is an issue for one aerodrome in particular. Are all the aerodrome runways sealed?

Ms ANDREWS: No, they are not all sealed. The Pooncarie runway is still dirt, Emmdale and Packsaddle are both still dirt, and at Tibooburra only the short runway is bitumised. The cross runway is not bitumised at all.

The Hon. MICK VEITCH: If there were things that this Committee could recommend about your leasing arrangements to improve those circumstances what would they be?

Ms ANDREWS: That we are treated like freeholds. Where you have an issue with a wind farm and whatever, I do not think it really matters. If the Government wants the money they are not going to care whether you are freehold or leasehold.

The Hon. STEVE WHAN: In the whole of the Australian Capital Territory everyone has 99-year leases and they are able to invest. It would be interesting to hear of the specific things about the conditions of the leases which cause concern.

Ms ANDREWS: Most of the leases in the western division are pastoral leases.

The Hon. STEVE WHAN: I notice the point about value of properties in neighbouring areas of South Australia, for example, or investment on properties. What is it about leases that make people less willing to invest when there seems to be evidence in many other areas that leasehold systems do not remove that investor confidence, particularly around the Australian Capital Territory, and also the fact that a 99-year lease is obviously a pretty fair term? Even people on freehold land, if the government wants to resume their properties they can.

Ms ANDREWS: That is exactly right.

The Hon. STEVE WHAN: What is it about the leases that make people less confident? Is it simply the fact that it is not freehold?

Ms ANDREWS: No, I think it is the fact that in the western division, like with the wind farm, they saw it as a money-making venture and they decided that the government needed the money, basically, more than the people and they gave them dual leases. That meant that the government still got their share. But the way they went about it was they threatened these people with resumption of their land totally.

The Hon. STEVE WHAN: In your submission you made a point about the kangaroo trade and the licensed kangaroo harvesters in New South Wales halving and that taking kangaroos for skins has been banned since 1996. Can you explain the impact that has had? What sort of an industry would that be and who would benefit if it was reintroduced?

Mr GALL: It would not be our members that would benefit per se. Landholders do not receive anything for the kangaroos that licensed trappers remove from their properties. Having said that, when skin shooting was allowed some property owners and their family members—sons, for instance—did use to combine some shooting for skins with their property management. But, really, the biggest benefit of skin shooting is that it gives the trappers flexibility to shoot for a different sector of the industry if and when the meat trade has suffered problems like it has over the last two years with the closure of the trade into Russia.

The Hon. STEVE WHAN: What impact did that Russian decision have in this region?

Mr GALL: Statewide, as you mentioned, the number of harvesters halved. I understand that a number of processing works in regional areas such as Broken Hill and Walgett have closed. Specifically for our members it reduces one avenue of kangaroo control.

The Hon. STEVE WHAN: Has that led to a significant increase in competition from kangaroos for pasture?

Mr GALL: As a result of the Russian trade falling over?

The Hon. STEVE WHAN: Yes.

Mr GALL: No, not a great deal. There has been some increase, but the way the kangaroo industry is run or the way the kangaroo cull is set up is so that it does not have any major effect on populations. The major limiting effect on the population of kangaroos is seasonal conditions, such as drought.

The Hon. STEVE WHAN: With several of the witnesses who have already appeared we have discussed unincorporated versus incorporated areas. What is your opinion on whether you would be better off or worse off coming under a council area or unincorporated?

Ms ANDREWS: Worse off under a council area.

The Hon. STEVE WHAN: Any particular reasons?

Ms ANDREWS: Mainly because they would not be able to provide the services.

The Hon. Dr PETER PHELPS: And you would still have to pay rates.

Ms ANDREWS: We would still have to pay rates. That is exactly right.

The Hon. Dr PETER PHELPS: Is that not the gripe of Central Darling. Not only do they pay Western Lands but they pay rates on top of it and they do not seem to get anything from either of them.

Ms ANDREWS: You do not get a rubbish run or anything like that.

The Hon. STEVE WHAN: This is a broad question but can you address the impact on landholders and your members of the frequent road closures around the region and the state of the roads?

Ms ANDREWS: It has a devastating impact on our members because we all run small businesses and you have to go with whatever market you have available to you. If it rains and you cannot get your stock to market when the price is up, you have to take it to another market when the price is down or you lose your income. It also has an effect with, as you said, health issues and things like that if you have to rely on getting out to a road if there is an emergency of some sort. Also it has an effect with mail services. Recently with all the rain some people did not receive a mail service for three to four months. So it can be very dramatic.

The Hon. STEVE WHAN: Are you and most of your members using satellite internet services?

Ms ANDREWS: I actually have wireless, which was probably on my part not a very good thing to do. I let my satellite internet go and the phone system is such that if it rains our phone goes out. As soon as it rains it goes out and we do not get it back for a week and a half. That is our satellite and our internet as well, so we have no communication.

The Hon. STEVE WHAN: Is your internet connection ADSL?

Ms ANDREWS: It is wireless. Next G.

The Hon. STEVE WHAN: You have got Next G coverage?

Ms ANDREWS: Our phones are all Next G, when they work.

The Hon. STEVE WHAN: Why do they go out in the rain?

Ms ANDREWS: It is mainly an infrastructure problem. The roads that go into the towers are dirt and they are not maintained. When it rains the power goes out. No-one will go on the road because the road is closed. The telecommunications people cannot turn the power on, the power people have to turn it on. It is just a vicious cycle and you just wait. When you are running a small business and you are shearing and you are doing something and you need your phone it is very annoying when you have to go half a mile to get a signal.

Mr GALL: If I may, just going back to the internet providers, everyone started out on satellite internet back about eight or nine years ago. I am still on satellite. Quite a few of our members have stayed on satellite. It is old, slow, clunky and expensive.

The Hon. STEVE WHAN: Your upload speed is very slow, is not it?

Mr GALL: Yes, and the download limits are fairly small. When you break your limit the bill can get pretty expensive very quickly. Some of our members, as a result of dissatisfaction with satellite internet, have moved to other satellite internet providers or more commonly they have gone to Next G. There have been teething issues with the Next G satellite. I have retained a satellite connection at my property because if our telephone system breaks down and it is wet and Telstra cannot fix the phones for some time, if we have a medical emergency our only way of speaking to the outside world is by satellite internet.

The Hon. Dr PETER PHELPS: You mentioned that the spelling laws were changed. When did that take place?

Ms ANDREWS: I am not positive. I think it was about three years ago.

The Hon. Dr PETER PHELPS: What was the nature of the change? What was the previous arrangement and what is the arrangement now?

Ms ANDREWS: There was no previous arrangement. I think they just got on to the truck and off you went. You could have two drivers and whatever. But now for the stock eight hours on the truck I think is your limit. But they take the eight hours from when they are actually loaded. So they can be in the yard and off water—because they are not allowed to be on water prior to being loaded into a truck so they have to be off water for 24 hours.

The Hon. Dr PETER PHELPS: Rather than going to the expense of building new spelling yards in Broken Hill would it not be simply easier and more sensible to remove the laws?

Ms ANDREWS: I think it is an animal health issue and good luck with that.

The Hon. STEVE WHAN: My memory of this as the last Minister to deal with it is that it is a national standard that the industry has been involved in working on to achieve.

The Hon. Dr PETER PHELPS: For 150 years there was no complaint from cattle, so I wonder whether it is more in the interests of inner city trendies from Glebe than it is for rural and regional people, but anyway. How would you see the transition if you were to get it to move from a leasing arrangement to a freehold arrangement? Would it just be a simple transfer?

Ms ANDREWS: That would be nice.

The Hon. Dr PETER PHELPS: I know it would be nice. Everyone would like to go from lease to freehold. Would there be capacity in leaseholders to pay an additional amount to have their title turned into freehold?

Ms ANDREWS: I think that is what happens now, does it not, because a lot of people in Broken Hill have leasehold leases on their land and they used to be able to turn them over to freehold and just pay it off as such.

The Hon. Dr PETER PHELPS: Does leasing provide you with any benefit that would not be available under freehold?

Ms ANDREWS: No.

The Hon. Dr PETER PHELPS: My final question relates to native vegetation laws. Do native vegetation laws apply to members of your organisation?

Ms ANDREWS: Yes.

The Hon. Dr PETER PHELPS: To what extent do they act as an impediment upon the successful development of your businesses?

Mr GALL: When it comes to controlling what they call in the trade INS, invasive native scrub, there are a number of control methods that can be undertaken by landholders. But to do that you have to obtain a property vegetation plan under the conditions of the legislation. It is a fairly long-winded process and you are locked in to the conditions of that property vegetation plan for many years, if not perpetually, is my understanding. There is a long list of conditions that go with these property vegetation plans. For instance, one of them is if you are clearing invasive native scrub you have to leave 20 per cent of it. That is like a doctor going in to remove a tumour and leaving 20 per cent of the tumour behind.

The Hon. Dr PETER PHELPS: What sort of time frame are you looking at for a native vegetation plan and what is the cost to the individual grazier for the production of one from start to finish?

Mr GALL: To prepare a proper vegetation plan the cost in monetary terms is upfront fees. I do not think there is an upfront fee, but there is opportunity cost in time and liaising with catchment management

authority staff to prepare a property vegetation plan. Half the problem there is having time as landholders to fulfil our side of the equation. Then the other side of it is being able to get a staff member from the catchment management authority to be able to give you time to help prepare that property vegetation plan. It is very hard to get some time.

The Hon. Dr PETER PHELPS: Do either of you have those plans for your properties?

Mr GALL: No, I do not.

The Hon. Dr PETER PHELPS: For the reason it is just a pain in the back side or—

Mr GALL: Yes, it is time consuming and restrictive.

Ms ANDREWS: And it is like big brother watching over you.

The Hon. Dr PETER PHELPS: Apart from the freehold issue, what is the biggest government burden that is placed on graziers, which you think could be removed, apart from the freehold lease issue?

Mr GALL: Probably the vegetation laws.

The Hon. SCOT MacDONALD: Could you just explain to me your statement there? I just did not understand your opening statement about environmental services—\$40 a hectare to manage the reserves or something?

Ms ANDREWS: If you were working on a national park—they work on \$40 a hectare—so the cost that the graziers are saving the Government would be \$40 a hectare per property.

Mr GALL: This was a figure that was reported in *The Land* newspaper from memory on Thursday 13 October.

The Hon. SCOT MacDONALD: In a reasonable environmental condition, not eroding—I do not know about invasive scrub—so \$40 a hectare. Is the Pastoralists Association affiliated with New South Wales Farmers Association—do you deal with them?

Ms ANDREWS: No. We do deal with them, work in conjunction with them on certain issues, but we are a stand-alone organisation.

The Hon. SCOT MacDONALD: Exploring the catchment management authority side of things a bit more, it sounds like you are reasonably cooperative with them—they do provide you with a bit of help. Can you explain how that could work better with you—could they help you with property vegetation plans if you thought you were not going to have big brother looking over you?

Mr GALL: The staff on the ground are fairly helpful, but there is not enough of them. They seem to be spread fairly thinly. They have a fair bit of responsibility, so it is hard to catch up with a staff member from the Broken Hill office of the Western Catchment Management Authority, for example. They constantly seem to be on the road attending to a fairly big workload.

Ms ANDREWS: Because there are only three of them?

The Hon. SCOT MacDONALD: Three for the entire Catchment Management Authority?

Ms ANDREWS: No, for this area—yes.

The Hon. SCOT MacDONALD: Not for the Broken Hill area. Could you give me an example of one good environmental project they have delivered in conjunction with landholders?

Ms ANDREWS: We have had quite a number of environmental projects done on our property such as rabbit ribbing and contour furrowing. We have also poisoned some native invasive scrub.

Mr GALL: In addition to that funding for the construction of goat traps has been very successful as a goat control measure. The Catchment Management Authority also funds projects which allow landholders to fence to country types—for example, they are fencing off riverine corridors or putting a fence up in a paddock that might have sand plain at one end and big hills full of goats at the other. You could apply and receive funding to put a goat proof fence between the sand plain and the hills. If you put a goat trap in the hills and control the goat pressure, you can better control the management of grazing on those two different country types. You can run stock in the hilly country, when it is dried off a little bit—the hilly rocky country holds on a bit better—whereas the sand plain country is starting to drift. It really needs a break.

The Hon. SCOT MacDONALD: Have the catchment management authorities taken over a lot of the advisory work of the Department of Primary Industries—is the Department of Primary Industries there at all?

Ms ANDREWS: We have not got a Department of Primary Industries in Broken Hill.

Mr GALL: We do not have an office. We still have a staff member that is included in with—

Ms ANDREWS: Western Lands, isn't it?

Mr GALL: Mineral resources.

The Hon. SCOT MacDONALD: After that, what is it—Department of Aboriginal Affairs?

Ms ANDREWS: It is sort of a conglomerate of departments.

Mr GALL: There are a number of departments sharing the same office whereas Department of Primary Industries or New South Wales Agriculture, as it used to be, had its own dedicated office with a number of employees working in it—just in a building behind us here.

Ms ANDREWS: They took them away.

The Hon. SCOT MacDONALD: They?

Ms ANDREWS: The Government.

CHAIR: Can I just explore that a little further? When you say there were a number of officers in New South Wales Agriculture, can you tell us what officers there were—was there a sheep and wool officer there?

Mr GALL: Yes. The sheep and wool officer has gone to Trangie. There was a pest invertebrate control officer who has gone. The position that is still here is vet, and there was an officer that did fruit fly inspections. His position has disappeared too.

Ms ANDREWS: Vacant.

CHAIR: Over what time frame have those jobs disappeared—how long ago?

Ms ANDREWS: Two or three years.

Mr GALL: By attrition over the past couple of years.

CHAIR: In order for the primary industries of this region to be able to develop and progress, do you see that you need those sort of services back in Broken Hill?

Mr GALL: It certainly would not hurt. Obviously this area is principally sheep and wool. It is nonsensical to have our sheep and wool officer move to Trangie. We should have a sheep and wool officer based in Broken Hill.

Ms ANDREWS: It makes it hard if we want a field day or whatever. Basically it is email or phone and there is just no face-to-face contact.

CHAIR: In terms of accessing information from the department that would have been provided by those local extension officers in the past, how do you access that information now?

Ms ANDREWS: By phone.

The Hon. STEVE WHAN: If it is working.

Ms ANDREWS: If it is working.

Mr GALL: Or may be start searching the internet, which is a poor substitute.

CHAIR: Can I go back briefly to the livestock spelling yards? When were they built? Obviously, many years ago?

Ms ANDREWS: In the 70s.

CHAIR: They were built in the 70s?

Ms ANDREWS: Yes, they were built just prior to when the trains stopped taking livestock.

CHAIR: Were there any facilities for livestock spelling prior to that?

Ms ANDREWS: I assume there would be.

CHAIR: Historically, I would imagine, stock would have been driven in on foot to the railhead and then trucked out?

Ms ANDREWS: That is right. They were new yards then in the 70s—they replaced yards that were there—existing yards.

CHAIR: So there was a facility there prior to those yards being built?

Ms ANDREWS: Yes.

CHAIR: What would be the central recommendations for encouraging economic development in the primary industry sector in the west that you would like to see emerge from this inquiry?

Ms ANDREWS: Probably our road infrastructure. It would be really good if we could get the Tibooburra road and the Cobb highway sealed completely, as a starting point. Also the infrastructure for the stockyards.

Mr GALL: Certainly supporting and funding the activities of the catchment management authorities. To go fencing in this country can cost \$4,000 a kilometre. To have the catchment management authorities come on board and share that cost with a landholder is quite often a make or break thing. It encourages landholders to improve their properties and to control the grazing: to limit the impact of native animals, to eliminate the impact of goats. Start goat enterprises: goats have kept a lot of properties afloat over the last 10 years or so. When the Catchment Management Authority is funding these projects, the fencing contractors get work and landholders are more inclined to do on-ground projects in good times and bad. Otherwise they definitely would have nailed the chequebook shut and would not be employing a contractor to do that fencing job. Supporting the catchment management authorities and, in turn, for them to support on-ground works for landholders, gives really good outcomes for the financial viability of property managers. There are good environmental outcomes and that generates jobs and economic activity in the region.

(The witnesses withdrew)

LISA McFAYDEN, Business Manager, Health Services, Royal Flying Doctor Service, South Eastern Section, and

STUART THOMAS RILEY, Chief Executive, Far West Local Health District, affirmed and examined:

CHAIR: Are you conversant with the terms of reference for this inquiry?

Dr McFAYDEN: I am.

Mr RILEY: Yes, I am.

CHAIR: Would you like to make a short opening statement?

Dr McFAYDEN: Thank you for this opportunity to address the Committee. The Royal Flying Doctor Service [RFDS], South Eastern Section provides a vital aero medical retrieval service for people living, working and travelling in western New South Wales, south-east Queensland and north-east South Australia. But perhaps more importantly, the RFDS is the main health service provider for some 4,000 Australians living in the region. From our Broken Hill base, the RFDS covers more than 20 per cent of New South Wales, delivering regular medical and allied health clinics in 13 different communities in New South Wales. The section also provides health services in six communities in Queensland and South Australia. The services provided in these communities include regular scheduled GP clinics, women's and children's health services, and mental health and dental clinics.

The RFDS also provides and stocks more than 400 medical chests throughout the region. These chests are held at remote pastoral properties, out stations and Indigenous communities, and they enable our doctors to prescribe medications while they are undertaking remote consultations. Without the RFDS and the remote clinical support our doctors provide, these communities would not have a medical service and they would not survive. Adequate health services are crucial, not only for the health of the populations but to the survival of the communities. Without a reliable and accessible health service, these communities will not be able to attract or retain other professionals such as teachers and police, and without these essential services the communities will die out.

For far west New South Wales to survive, and ideally thrive, the RFDS must be able to meet the health care needs of all its patients. This means more than just emergency services and treatment for acute conditions. As with other Australians living in remote areas, our patients have a lower life expectancy, a higher burden of disease and more avoidable deaths than those living in more populated areas. They also frequently engage in high-risk health behaviour, including alcohol abuse, smoking and dangerous occupations. This is an unhealthy population with high rates of chronic disease. Over 85 per cent of men in this region are overweight or obese. More than twice as many females have diabetes than the New South Wales average, and one in five has a cardiovascular disease requiring ongoing health care.

The RFDS is not treating the worried well but, rather, the unworried unwell. Yet with minimal additional services, we could prevent or delay the onset of many of these diseases. Systematic, multi-disciplinary chronic disease care is the key, but there are a number of barriers preventing us from doing this. In particular, broadband access is so slow and unreliable that our doctors cannot always access a patient's medical records, and when they do have a connection it is so slow that clinicians lose about 30 minutes a day in each clinic. That is the equivalent of one or two consultations per doctor per day. The lack of reliable high-speed broadband can also prevent remote health staff from accessing patient's test results and it stops us from being able to properly utilise tele-health technologies.

Equally important is the recruitment and retention of an adequate and appropriately skilled health workforce. This is hampered by the availability of suitable housing in Dubbo, Broken Hill and Menindee. The RFDS, together with the Far West Local Health District and Sydney university's department of rural health, is trying to establish clinical placements in Menindee and Wilcannia through the Pre-vocational General Practice Placement Program. This would give these communities a resident doctor for the first time in decades. The PGPPP would not only give junior doctors valuable clinical exposure, but it would help deliver chronic disease services in these communities. But a lack of suitable housing in Menindee is a major impediment.

However, the main difficulty that the RFDS faces in delivering adequate chronic disease care is securing the funding to employ the necessary health staff. This could be overcome with access to the financial incentives available to other general practices. The RFDS is funded on a historical basis and for many years our Commonwealth grant has increased only in line with the consumer price index; it has not kept pace with the changes in general practice. The Australian Government is now funding general practice to provide services that improve access and health outcomes. Financial incentives are available for services such as medication reviews, asthma management, chronic disease plans, and allied health, as well as for practice nurses.

Because the RFDS receives a grant from the Australian Government, we are not able to access any Medicare rebates. This means that we also cannot access the practice incentive payments, the enhanced primary care payments and the service incentive payments. Without this income, we cannot provide the full range of interventions that we need to prevent or appropriately manage chronic disease in the community. As a specific example, we do not receive any funding to employ a practice nurse. Yet practice nurses are critical to the effective management of chronic disease. They take on key responsibilities such as establishing chronic disease registers, implementing patient recall systems and providing education and training to patients with chronic diseases. Without a practice nurse, these tasks are either not done or they have to be done by the doctor, and that of course reduces their availability for consultation.

After many years we have secured some private funding to employ a practice nurse, but this funding is only available for two years. Already our practice nurse has improved our management of chronic disease, but we do not have any funding beyond the two-year period. In order to expand our services, we need a 19 (2) exemption. Aboriginal health services can already obtain a 19 (2) exemption, and this allows them to bill for a whole range of extended services, including chronic disease management. With a similar arrangement, the RFDS could provide a raft of additional services in these already disadvantaged communities. From 2013 the Far West Local Health District is expecting to receive a 19 (2) exemption for communities with population of less than 7,000. The RFDS needs to be able to access this 19 (2) exemption.

We understand that the New South Wales Government is working with the Australian Government to obtain these exemptions, and I cannot stress strongly enough how important it is. We then need to ensure that the RFDS can receive rebates for the services that we provide. The RFDS provides a high-quality and much-appreciated health service in some of the most disadvantaged communities in New South Wales. But with a few changes we could provide an even better service. So our four highest priorities are, firstly, reliable, high-speed internet services. We need appropriate housing for medical staff in Broken Hill, Dubbo and Menindee. We need to be able to get the PGPPP up and running in far west New South Wales, and the RFDS needs access to a 19 (2) exemption. We would appreciate any support you could give us to obtain these.

The Hon. SCOT MacDONALD: Would I be right in saying that most of that is Federal? You did say the States are working with the 19 (2) exemptions and so on. Is most of that funding you are talking about from the Commonwealth?

Dr McFAYDEN: It is not directly funding; it is support for priority for high-speed broadband, so it is support for getting Broken Hill up in the first round or the next round of NBN. The 19 (2) exemption is granted by the Commonwealth Government but the way we could operate it is through an arrangement through the State. So that is the State linking that, and Mr Riley will be better able to answer that. In terms of PGPPP, it is a State health service responsibility to basically approve it, fund it and get it up and running. It is a Commonwealth initiative but it is done through SETI, which is now HETI or the health education and training institute.

CHAIR: Can you tell us what PGPPP is?

Dr McFAYDEN: The Pre-vocational General Practice Placement Program. Do you want me to explain what it is?

CHAIR: It would be good for the purposes of the record.

Dr McFAYDEN: It is about trying to give junior doctors exposure to general practice in their first few post-graduate years. While they are doing a medical degree, they have exposure to general practice and they get placements in general practice, and it is a clear part of the medical education. Once they are in the hospital system as an intern, that can fall off the radar. So they tend not to have any exposure to general practice and it tends not to be encouraged within the hospital system. The PGPPP was developed to include general practice as

a rotation for doctors in their first two post-graduate years. It means they take an 11-week placement in a general practice environment as an alternative to doing a surgical or a medical term or so on.

The Hon. SCOT MacDONALD: I understand the housing situation in Menindee and maybe Broken Hill. It surprises me that you mentioned Dubbo as one of those places where there is a shortage of doctor accommodation?

Dr McFAYDEN: Yes, it is terribly difficult to get short-term accommodation. Rentals are hard to come by and they are very expensive. We have people coming in for one or two years; they do not want to buy a property. We really need to build our own so that we have suitable housing.

The Hon. SCOT MacDONALD: That you just roll over every two or three years?

Dr McFAYDEN: It is what we do in Broken Hill but we do not have enough.

The Hon. SCOT MacDONALD: Does the State have any role in that at all?

Dr McFAYDEN: Particularly the housing in Menindee is one of the applications we put in through the Regional Development Australia fund. I think we have done something similar for the housing, but I am not sure on that.

The Hon. SCOT MacDONALD: Mr Riley might answer this: There is no specific State program for that within the health department?

Mr RILEY: For housing within health, no.

The Hon. Dr PETER PHELPS: We have heard today about Emmdale aerodrome. How often would RFDS use that and would it consider that to be the priority airstrip for upgrading within its region, or do you believe there are other more important strips that require upgrading?

Dr McFAYDEN: I am afraid I cannot answer that. I would have to take that on notice.

The Hon. Dr PETER PHELPS: In you taking on greater involvement in chronic disease management is there an issue of you cutting across work which is already being done through the Aboriginal Health Services?

Dr McFAYDEN: Maari Ma, the Aboriginal medical service in our area, provides chronic disease clinics in Menindee and Wilcannia. They have a priority to provide services to Indigenous populations. Both those communities have large non-Indigenous populations with very high rates of chronic disease and comorbidities. They do not touch into any of the other communities that we cover. So whilst there are some services meeting some needs in Wilcannia and Menindee, there is a major gap.

Mr RILEY: The local health district has a responsibility around chronic disease across the patch. The State government funds the Connecting Care program. Prior to the establishment of the district, that was being run from Dubbo. As a result of that, the focus has not been particularly strong in this patch until recently. Very clearly any change in the service delivery profile from either RFDS, the local health district, the Division of General Practice or potentially a Medicare local is a sensitive issue within the region. The risk of organisations competing within the health field is something that we are all quite careful around. The RFDS, the University Department of Rural Health, Maari Ma and the Division of General Practice along with the local health district all participate in an organisation known as the Centre for Remote Health.

The focus of that organisation is to ensure that the chief executives of each of those organisations discuss any changes ahead. In terms of chronic disease, it is becoming a crowded space. You have the State funding it through Connecting Care and you have the Commonwealth funding it. My concern would be that any proposal to expand services around chronic disease needs to be something that is negotiated and developed across the partners in the Centre for Remote Health.

The Hon. Dr PETER PHELPS: With all that funding going into chronic disease is there any indication that the chronic disease rates are going down?

Mr RILEY: Some of the behaviours associated with chronic disease are starting to move. The distance between intervention and actually getting a change in behaviour and a change in chronic disease rates is a long-term activity. So the money is coming in; I would not be expecting to see significant changes in our disease profile for several years.

The Hon. Dr PETER PHELPS: How many years?

Mr RILEY: I am not an epidemiologist. I could not estimate the number of years.

The Hon. Dr PETER PHELPS: We have heard that the growth plans for Broken Hill are looking quite good at the moment. What is the capacity for upsizing Broken Hill hospital to take in unused capacity? How quickly could the unused capacity of Broken Hill hospital be revived to meet any expected influx of new workers?

Mr RILEY: I do not think I would argue that we have unused capacity. When I returned in January there were 27 patients awaiting nursing home placement which put enormous strain on the facility that has 88 beds. As a result of work with aged care providers in the Commonwealth we have narrowed that down to three, so the hospital is operating much more effectively.

The capacity to increase activity is largely a human issue rather than an infrastructure issue. The challenges for the health service at the moment are largely around the medical and nursing workforce as well as the allied health workforce. Dr McFayden raised previously the issue about housing. At the moment in addition to the residences owned by the health service we have seven houses around town simply because we do not have the capacity to house the staff that are coming and going.

The Hon. Dr PETER PHELPS: Is there a remote allowance provided to health workers?

Mr RILEY: There is no incentive provided through the department.

The Hon. Dr PETER PHELPS: So a nurse here gets paid the same as a comparable nurse at Royal Prince Alfred Hospital in Sydney?

Mr RILEY: Exactly.

The Hon. Dr PETER PHELPS: Do you think that is problematic for your recruitment purposes?

Mr RILEY: The difference is around the tax arrangement. Broken Hill and Far West are zone B in terms of tax so the fringe benefit tax limit on packaging doubles. That is the only incentive. We do work closely when we are recruiting, I have a delegation to provide some incentive. That is generally around assistance for relocation and potentially conferences.

The Hon. Dr PETER PHELPS: I am not sure if it is still in operation but some time ago there was a move to try to encourage students from rural areas to undertake medical training at university in the expectation that they would come back and serve a period of time. Does that system still exist?

Mr RILEY: That system is still operating. I think one of the strengths of Broken Hill and Far West is the work of the University Department of Rural Health. In collaboration with the district RFDS and Maari Ma the university department has 490 students a year come through Broken Hill. That is a mixture of allied health and medical students. We now have medical students here for periods of six and 12 months at a time. The other work with the university department is moving into schools so that we have physio, speech, and occupational therapy students doing clinical placements in schools. Associated with that there is a program called the Pipeline where health careers are introduced to children early in school.

They are also then exposed to different aspects of the health system as they go through school, culminating in year 12 with stints in clinical simulation laboratories. We are really trying to drive development of a local workforce. In terms of the students that do come here, we are working with the department at the moment to establish intern places. Quite a lot of medical students express an interest in coming back to Broken Hill for their intern year. We are also working with the department around developing the rural generalist program here so we can provide the whole range of training.

The Hon. Dr PETER PHELPS: Do I take it from that that the department is being difficult in providing suitable intern placements?

Mr RILEY: No, the reality is that we did have two intern terms that we had not filled for several years. They lapsed. The department is being incredibly supportive at this point and indeed is encouraging us to get the interns up.

The Hon. Dr PETER PHELPS: Just getting back to the capacity issue. There is no problem with the physical capacity of the hospital; it is merely staff and resources. Would that be your view?

Mr RILEY: At this point, yes.

The Hon. Dr PETER PHELPS: For expansion?

Mr RILEY: Depending on the extent of the expansion. If we were to double the population clearly we would not be able to cope with the existing facility.

The Hon. Dr PETER PHELPS: No, but if you had an extra 2,000 or 3,000 people.

Mr RILEY: Yes, we would be able to manage that pretty comfortably. It really comes down to having the staff on the ground to provide the services.

The Hon. STEVE WHAN: Further on those chronic disease issues and chronic conditions, you mentioned a bit of the work that the department is doing on preventative mechanisms. Do either of you have any views on what government and its agencies can do to address lifestyle issues and people's habits who live in remote areas and remote towns, both Indigenous and non-Indigenous, in the long-term to actually try to change some of those lifestyle factors that contribute to chronic conditions?

Mr RILEY: There is a range of activities that are being developed. I think one is very clearly around diet. The university department recently attended an activity with the Ministry of Food which is a Jamie Oliver organisation, working with them around options for promoting healthy diets more effectively. There is an ongoing range of activities through the Population Health Unit in Bathurst and Orange. We have one health promotion officer here supported by a team in what was the former Greater Western Area Health Service [GWAHS].

An area where we have seen quite significant benefits in Broken Hill is some work done around alcohol consumption. We have seen quite a significant drop in alcohol consumption amongst adolescents and that has flowed through to reductions in attendances in emergency departments by adolescents affected by alcohol. The advice I have around that program is that it has also impacted on parents, so the level of consumption within households is gradually declining.

In terms of exercise, I think that is one that is a challenge. I think if you walk into any hospital in New South Wales you notice that health reflects the community in terms of obesity and lifestyle problems. Nevertheless, programs continue to be run to try and engage communities in healthier activities and exercise. Steve Burton is the health promotion officer here. He works very actively with council around a thing called Active Broken Hill which is really supporting community organisations to try to drive activity rather than drive the activity themselves. But in terms of a solution, I am not sure that anyone has got one at this point.

The Hon. STEVE WHAN: What about more isolated Indigenous communities? Is there ongoing or long-term work that is being or should be being done?

Mr RILEY: There is a lot of work. I think at Wilcannia you have got the RSD running these so the range of services there is pretty well mapped. Maari Ma in Wilcannia, Broken Hill, Menindee and Ivanhoe has quite comprehensive and structured chronic disease management programs which include a significant component of self-management. So that goes to things such as smoking and smoking cessation, working with individuals and families around diet and how to change their diet to address issues such as diabetes, and also promoting exercise in those communities.

The bridge from the provision of a health care intervention through to health promotion and engaging people in healthier activities is an area that is relatively new for the health system in terms of coaching people around that. That is a large part of what Connecting Care is focused on.

Dr McFAYDEN: Can I just comment on that previous question if I may. Just a couple of things, because Stuart and I are coming from similar but slightly different perspectives and we also go to a number of very small communities that the area health service and the local health district does not cover. One of the things I would say from the RFDS perspective that is quite stifling from our performance—and this is a Commonwealth and State issue—is the number of individual grants and programs that are funded. We tend to be funded for specific programs that are often very specific and very prescriptive. To be blunt, they stifle innovation. So you have to report and respond in a particular way.

If we had the capacity to be more flexible in our use of funds and services I think we could be a lot more effective in the public health and preventative health areas and in chronic disease management. That, to us, is critical. We have something like six or seven different State government grants and we have a similar number of Commonwealth grants. Each of them has specific requirements that we have to accommodate. The other element, I suppose, is that a lot of our funding is based on a medical model, whereas a lot of this sort of work is often better done by allied health and nursing staff. Flexibility to be able to look at the health needs of the community and be a little bit innovative and come at things from a little bit from left field sometimes is often more effective, but we are restricted from doing that.

The Hon. STEVE WHAN: On a different subject, you spoke of the need for decent broadband as the number one priority of need in Broken Hill. That is a consistent theme that we have heard today. I recall seeing some media reports a couple of months ago about the RFDS being critical of the National Broadband Network rollout. I took it to be saying that it was not going far enough in some areas. Would that be correct?

Dr McFAYDEN: I think what you are possibly referring to—I do not know but one of the things that we are critical of is the fact that the National Broadband Network rolls out through Wilcannia but they are not putting a node there, if that is the right terminology.

The Hon. STEVE WHAN: I think it was Wilcannia that the article was referring to.

Dr McFAYDEN: If we could have a node or a hub there, or whatever the right bit is, it would be much more effective than going straight through it.

The Hon. STEVE WHAN: The optic fibre goes through Wilcannia?

Dr McFAYDEN: Yes.

The Hon. STEVE WHAN: Are there any public services in Wilcannia already on optic fibre?

Dr McFAYDEN: I do not know. I doubt it.

The Hon. STEVE WHAN: You talked about, as your number one priority, the need for a decent broadband service in Broken Hill. The National Broadband Network would be a consistent theme, I think it would be fair to say, in all the submissions we have heard today. I do recall seeing some media reports a couple of months ago that were critical of the National Broadband Network rollout. I took that to be saying it was not going far enough in some areas, would that be correct?

Dr McFAYDEN: We have been critical of the fact that when the National Broadband Network rolls out through Wilcannia—they are not putting a node there, if that is the right terminology—I think that may be what you are referring to.

The Hon. STEVE WHAN: I think it was Wilcannia I was talking about.

Dr McFAYDEN: It would be more effective to have a node or a hub there rather than going straight through.

The Hon. STEVE WHAN: So the optic fibre goes through Wilcannia?

Dr McFAYDEN: Yes.

The Hon. STEVE WHAN: Are there any public services in Wilcannia already on optic fibre or not?

Dr McFAYDEN: I do not know.

The Hon. STEVE WHAN: In terms of the rollout of the National Broadband Network—for people who are not in the centres which are going to have optic fibre—will that enhance your ability to do telemedicine in those areas, using the other methods I have mentioned?

Dr McFAYDEN: I am not a technology expert, as you gathered from that previous answer. When we first introduced electronic medical records, using a medical director, there was capacity in the cabling. But with the influx of all the i-stuff—iPads and the other pods and all the phones and so on—voice takes precedence over the line, so there is not enough capacity in the line for data. We could much better use of telehealth methods if we had some broadband—even if it did not go to all of the areas—with an increased capacity to other areas.

The Hon. STEVE WHAN: That is my understanding as well, the optic fibre will take a load off some of those wireless services, which would give a better result. Do you have a comment overall on infrastructure requirements for the service in terms of air strips and how they need to be improved, the physical infrastructure on the ground for that?

Dr McFAYDEN: Yes, certainly from a Royal Flying Doctor Service perspective one of the problems we have is capacity to provide services in Broken Hill. Even though we are not providing services to the Broken Hill community, a lot of our population comes to Broken Hill on a regular basis for other reasons. They are allowed to access our services while they are here. One of our big priority areas is mental health and that, of course, is one of the things that people are reluctant to seek help for in a small community, because it is very obvious you have gone off and talked to the psychologist or the mental health nurse and so on. They often prefer to have treatment or to come and see a counsellor in Broken Hill.

We do not have any facilities for any primary health care services in Broken Hill other than one medical group. We are trying to build more capacity, to set up student training facilities, so that when a student is consulting, somebody can observe from the outside. We can set up a room for telehealth consulting; we can have mental health rooms that are properly soundproofed. At the moment people are doing mental health consults in the kitchen and in offices where everything echoes through the corridor and so on. We do not have any capacity to offer any other allied health services. The diabetes educator has nowhere to go. We cannot provide any dietary services and so on. One of our biggest infrastructure requirements is a primary health care facility in Broken Hill.

The Hon. STEVE WHAN: If you got that exemption you were talking about before, would that mean you could perhaps go and apply for a super clinic type of service?

Dr McFAYDEN: There has been a super clinic funding for Broken Hill. We have some funding through that to try to build the primary health care centre but there are a few issues with it—not with the grant, but with trying to make it happen.

The Hon. STEVE WHAN: With making all the partnerships work?

Dr McFAYDEN: Yes. If I can make one comment, I listed those four things, not in a particular order. I would have to say the 19 (2) exemption is the highest priority.

The Hon. MICK VEITCH: First, Dr McFadden, your opening statement was outstanding—very comprehensive. I want to go back and talk about the emergency aerodromes and try to work out in my mind how all this works. I am trying to get an understanding of it. Is there a baseline standard for the emergency aerodromes for the Royal Flying Doctor Service to be able to use them?

Dr McFAYDEN: Again this is not my area of expertise. What I can tell you at a very basic level is there are length and weight and width requirements. Most of the facilities that have an air strip are able to physically accommodate a King Air, which is what we fly. I think I am right in saying all this. A lot of them are dirt strips, so in bad weather that does not work, and a lot of them are not able to be lit for night landing. They are the sorts of things that can be the greatest impediment to landing. Usually the reasons we have to cancel a

flight are weather-related and that is either pilot weather issues or landing weather issues, or night issues. They are usually the main restrictions.

The Hon. MICK VEITCH: What what are the determinants for where these emergency aerodromes they are located?

Dr McFAYDEN: As far as I know communities have an airstrip. Most of them are on private property. That is not my field.

The Hon. MICK VEITCH: Who is responsible for the maintenance of them? Is it local government or it is the private leaseholder or landholder if it is on private property?

Dr McFAYDEN: On private property it would be the landholder, but I would have to take that on notice too.

The Hon. MICK VEITCH: I guess the obvious question that leads to is, is there a need for more of them?

Mr RILEY: Not at all.

Dr McFAYDEN: I honestly do not know. Certainly there are times when we cannot land and certainly there are difficulties in getting the patient to the most convenient airstrip. It might be we have to land somewhere different and have a patient transported to the nearest potential airstrip but that is more to do with bad weather, if it is a dirt strip and night lighting, but anything else I would have to get more information.

The Hon. MICK VEITCH: That would be good. That leads into what the Chair just spoke about. How often are you required to do emergency landings on roadways or in a paddock or something like that?

Dr McFAYDEN: I have been here less than two years. I am not aware of us having done that. I do not think it is something we do very often. I do not think it is something we would do unless we absolutely had to in relation to an NBA or something like that. Generally we would go to the nearest landing strip.

The Hon. MICK VEITCH: Feel free to take some of those questions on notice and get back to us with some information about that.

Dr McFAYDEN: Sure.

The Hon. MICK VEITCH: In your submission you talk about an acute need for an expansion of dental services. What type of expansion are you talking about and how would that be provided in this part of New South Wales?

Dr McFAYDEN: We have quite a good dental service out of Broken Hill. Our original submission referred to trying to get services into far western New South Wales or the upper western sector, namely, Bourke, Lightning Ridge, Collarenebri and Goodooga, because they have no access to dental services or certainly not sufficient access. Oral health is incredibly poor in that part of the world. It obviously has a lot of physical implications. What we are trying to do is establish something similar to what we have in Broken Hill, out of Dubbo, going into those communities. We are in negotiation with the private funder, but there is a gap in funding to be able to deliver the service.

The Hon. MICK VEITCH: We need to know what dental services are available.

Dr McFAYDEN: In Brewarrina there is a service provided for approximately six months of the year from Griffith University. It is done through the students with their lecturers providing supervision. As far as I know that operates in term times from March through to about October/November. There is a private dentist in Lightning Ridge who comes in and operates one or two days a week. There is nothing in Bourke, apart from the locums that the Aboriginal Health Service can bring in. There is nothing in Collarenebri and nothing in Goodooga.

The Hon. MICK VEITCH: How long does it take to get in to see a dentist then? I know quite often in Young we have to wait a long time. What is the waiting time here?

Dr McFAYDEN: I cannot answer that. I think one of the main problems is affordability, because the dentists who are there are not necessarily free services and people find it very expensive to visit a dentist. I think it is a combination. Those that can afford it go to Dubbo.

The Hon. MICK VEITCH: Does the local health network pick up any overlap or are there issues that arise because people are unable to access dental or acute dental services?

Mr RILEY: In Broken Hill there is a partnership between the Flying Doctor Service, their district, and Maari Ma Health where we all contribute to the employment of a dental position. That has enabled a service to operate here. That means Broken Hill is probably much better off than Young. The waits are not enormously long here. I know that where we have patients that need to go to Adelaide for transplants, they have to get their teeth fixed before they do that. We can get them in very quickly for those sorts of things. We also have a dentist resident in Balranald providing services there. For Broken Hill-Balranald the service is very good. People from Wilcannia access that dental service through Maari Ma Health and then when we get down along the border, Wentworth, Dareton, Buronga—they are much more reliant on that than on the private dentist.

The Hon. MICK VEITCH: Just as a matter of interest, are there any cross-border issues that arise with your local health network because of your proximity with South Australia?

Mr RILEY: One or two.

CHAIR: The cross-border issues would be across three borders for the Broken Hill area, would they not? I have one question, and it is an issue I have discussed with Captain Thomson in the past. What are your thoughts on a preferred model for the delivery of aero-medical services? Do you have any comments you would like to make in that regard?

Dr McFAYDEN: Can I ask for a little bit more information on what sort of answer you are looking for in that regard?

CHAIR: The discussion I had with Captain Thomson revolved around a single body that was delivering aero-medical services rather than the structure we have at the moment.

Dr McFAYDEN: My understanding is that Captain Thomson is after a single contract in New South Wales for the Royal Flying Doctor Service, not necessarily a single provider specifically. I think what we are trying to get away from is the multiple contracts that I referred to earlier and how they operate within individual guidelines and so on. I would not comment on the idea of merging the air ambulance services. That is not something I would be thinking about.

CHAIR: You said there is a certain amount of duplication occurring at the moment. There are multiple providers at the moment, CareFlight and Child Flight and all the other helicopter and fixed-wing services that are provided. Do you think there is a duplication occurring in the system and could it be offered more economically and more efficiently?

Dr McFAYDEN: I do not know because from Broken Hill we provide aero-medical services for our footprint. I have brought along a copy of our annual report for you, which has a map and a bit more information about where we go, which I thought may be helpful. The doctor on call at Broken Hill tasks the aircraft so we cover the region ourselves. We determine who gets taken where and when and what the priorities are and how it is managed. That works very efficiently. The difference here is that we have general practitioners with emergency skills operating the service, not emergency physicians and intensivists and anaesthetists.

It is different, but the level of skill required or the sort of transfers we do out of here fits—it works for the environment we have—and that is definitely the most efficient and effective aero-medical service for Far West New South Wales. The other base we have in Dubbo is tasked by the Medical Response Unit which is a State health facility. I do not think it is part of or affiliated with the ambulance service. They determine where our planes go. The fact that they are able to task ambulance services—the flying doctors out of Dubbo—and I believe CareFlight, means it should be relatively efficient, subject again to funding issues about payment for the services that are provided. It certainly is in the mid west of the State.

The Hon. SCOT MacDONALD: Yesterday we dropped into the police station. I was intrigued with one of the comments that the crime intelligence fellow offered up. He said there was a feature of stealing for food amongst the youth. I just cannot recall which town it was—Wilcannia I think. Are you aware of that? Is the area health service aware of that, and are they doing anything about that?

Mr RILEY: We are aware of issues around access to fresh, healthy food in Wilcannia. I am aware that Maari ma has been working with the community. Maari ma now funds a bus every day from Wilcannia into Broken Hill and back so people can get in and out of town to shop. They provide a trailer on the bus for people to get their shopping in. There was consideration being given to purchasing the shops in order to try to guarantee food access. I think that ran into some problems. I have not talked to Maari ma recently about where they have got with that. One of the areas that the district board has focused on is access to food across the district, and out of that we are implementing a market basket survey, based in the Northern Territory, to monitor access to food across all communities. As to responding in Wilcannia, at this point we rely on Maari ma to manage our services in Wilcannia as well, so we are working through them around how we manage access to food in Wilcannia.

The Hon. SCOT MacDONALD: Where is the breakdown? Obviously there is food there from Broken Hill or whatever the source. Where is the inaccessibility coming? Is it just parents, guardians, whatever not providing it, not doing the basics?

Mr RILEY: I am not sure of the individual cases that the police might be referring to so I cannot explain the ideology of them. In terms of access to food, the quality is lower and the cost is much higher. I think one of the problems is what people can afford. Walking through the store there, it is similar to some of the stores in very remote communities in north-western South Australia and around the centre.

The Hon. SCOT MacDONALD: Is there anywhere else in the country where that has been addressed successfully, in the Northern Territory, in Western Australia or anywhere?

Mr RILEY: I am aware, not from this role, but there are places on the Pinjarra lands where the committee that runs the local store has been very active, so the range of food available and the cost of food is being managed quite effectively. Within the same areas there are also other stores where the high-selling items are cigarettes and Coke. I think some communities have managed to do it well; others have not.

CHAIR: Doctor McFayden, would you like to table the documents you have there?

Dr McFAYDEN: Yes.

(The witnesses withdrew)

(The Committee adjourned at 3.30 p.m.)