Regional Inequality in Australia Submission 1



The Heart of NSW

Contact Person: Reference No:

Robert Hunt

4th April 2018

Mr Mark Fitt
Committee Secretary
Senate Economics References Committee
Department of the Senate
PO Box 6100, Parliament House
Canberra ACT 2600

Dear Sir,

Re: Inquiry into the indicators of, and impact of, regional inequality in Australia

Lachlan Shire Council comprises some 6,400 residents spread over 15,000 sq. kms in Central NSW. It is primarily an agricultural shire however the extraction of nickel, cobalt and scandium is an emerging industry that could create hundreds of jobs locally through mining and processing of the raw materials.

The main towns are Condobolin (pop: 3,500) and Lake Cargelligo (pop: 1,800) sited some 100kms apart. The nearest regional cities to Condobolin are Dubbo and Orange some 200kms away. The nearest regional city to Lake Cargelligo is Griffith 134kms distant.

I have sought comments from staff of the Council and these are as follows:

- 1. Declining access to face to face services such as banks, insurers, health funds, etc This is particularly difficult for the elderly or people who don't have access to online services such as those who live a long way out of town where there is limited/no internet access. Reasoning is that branches are expensive to keep open & declining country towns are a tiny fraction of their market. Hence the rise of local credit unions & community banks this doesn't help people who have a long term relationship with one of the larger banks who have reduced their opening hours though.
- 2. Poor access to health services there is no children's ward at our hospital & you can't have a baby delivered in this shire (a pregnant specialist doctor would not relocate to Condobolin because she would have to travel 100kms to the nearest hospital at Parkes to have the baby delivered). The Ochre Health Medical Centre in Condobolin is a revolving door of mostly overseas doctors and patients lose that continuity of care that they can get in metropolitan centres. To see a specialist often involves a 400km round trip to Orange or Dubbo and overnight accommodation in many cases.





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- 3. Lack of shopping facilities like a basic department store with a variety of clothing. "People can't buy underwear for example anywhere in town except the IGA, and they don't sell bras. It's a wonder how elderly/disabled people who no longer have a driver's licence clothe themselves." "Low cost clothing/housing items found in stores such as Target, Kmart, Best and Less, Big W, etc will not establish in towns under 10,000 population. If a school concert is coming up and you need certain clothing for the children you have to travel to Parkes, something as simple as a red shirt you have to make a 2 hour trip. I had to travel away to buy paints and a canvas for artwork. I had to travel to Parkes to repair my TV, leave it there and pick it up two weeks later. Beauty products, home items, entertainment I had to learn to buy online. I'm sure there are many other services that are not provided here". "My wife cites the one biggest downfall of Condobolin as having a lack of shops for women. She was shocked not to see at least one Target, Big W, Kmart or Best and Less. It has swayed her opinion of the town (which she otherwise loves).
- 4. Lack of amusement activities for youth. We have a small volunteer theatre group that runs one movie a month & it isn't necessarily a kid's movie. Council has recently constructed two adventure playgrounds and two skate parks at both main towns as well as spending over \$150k per annum on youth programs however the youth centres are inadequate in size and children are not engaged. It is noted however there is also the Lachlan River, Gumbend Lake and Lake Cargelligo that provide boating, swimming and fishing activities. Council also provides and maintains four separate swimming centres within the shire at a cost of over \$800,000 per annum however they are only open during the warmer months as Council cannot afford to enclose and heat the pools due to the associated running costs and small rate revenue base.
- 5. "Entertainment for families on a weekend is minimal, no cinemas, ten pin bowling, water parks, shopping centres, café to go and eat (after 12pm)."
- 6. "Cultural stimulation especially for educational purposes isn't the greatest. There is nothing here for the children to see art, museums, a tourist centre to run cultural tours or cultural educational talks (We have a high Aboriginal Population and no one's taking advantage of that?). "
- 7. Sport "We only have certain options and only during the season the sport is played e.g basketball isn't played here in Condobolin, netball is only played during winter. Children who get selected for representative sport usually have to travel great distances with additional accommodation and transport costs. For children who are talented, parents would have to spend money and time away from work to assist in



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their development. It wouldn't be possible for parents who cannot afford to do that at all and the children suffer. It would also be a cause of families moving away to larger regional centres". Declining population (particularly youth) also means it is difficult to run well patronised sporting competitions because you can't raise enough teams to participate.

- 8. Access to Trades Limited access to qualified and experienced trades ie plumbers, electricians, builders, para-professional and professional staff and contractors. For example, difficulties in recruiting for water plant operators and obtaining competitive tenders/quotes for simple construction jobs like Rural Fire Service sheds which can be located remotely.
- 9. Mobile Telephone Reception "Between major towns such as Condobolin, Parkes, Orange, Bathurst, Dubbo, Lake Cargelligo, etc the mobile phone reception is very patchy. How do they expect to turn this area into a major food bowl if farmers and other businessmen can't even do business on the phone whilst driving". Lack of internet access and/or data speed in many areas can impact on the ability to create jobs (people who could work from home remotely) and study opportunities for those in remote areas.
- 10. "Cafés close early, so simple take away food for dinner options is only at the service stations. There is only 1 Chinese restaurant in Condobolin and the other options are the motor inn and pubs. Cost of groceries is high, assuming it's more expensive here because of the transport to deliver to regional towns? Fresh fruit and vegetables are sometimes questionable!"
- 11. TAFE NSW in Condobolin and Lake Cargelligo have very limited hours of business and limited choices in training which impacts younger community members wanting to study a trade. "Training and upskilling of employees is either online or travel out of town. Seems as if TAFE does not run the appropriate courses here and teachers are not available in Condobolin to visit the employee for RPL. Also no private colleges/schools close by to send children. Education and training is poor in this town, another reason why families would move away or send their children away to attend private schools/universities. There is no real opportunity to upskill individuals and then utilise those skills locally in Condobolin, no real development of the local economy. If you really want to build a successful career you need to leave the town."
- 12. No access to a Taxi Service or local bus route in the towns makes it difficult for people without a vehicle to do shopping or go anywhere for recreation.





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- 13. Travel required applying for a Tax File No (Local Australia Post offices not equipped to process these applications).
- 14. Cost of building new houses is greater due to the lack of competition among builders and distance from suppliers. People risk over capitalising if they build a new home. "Housing is poor. The development of new housing is non-existent. Don't bother looking for a modern home all you would get is old run down houses. It seems if people need somewhere good to live they need to know people, or look at buy swap and sell on Facebook rather than go through the real-estate agents".
- 15. The quality of roads in regional areas make transport and travel more difficult with unsealed roads damaging vehicles or forcing people to purchase more expensive cars such as four wheel drives. Just going overseas means an hours' drive to Parkes airport then to Sydney to link with an international plane this often means additional travel costs, overnight stays in Parkes and/or Sydney and additional annual leave needing to be taken.

The reasons regional towns struggle varies between towns but often include:

- distance and lack of public transport like affordable air travel
- mechanisation and technology advances in agriculture reducing employment opportunities
- lack of diversified industries leading to fewer job opportunities for young people to make a career and so they move away to larger centres
- globalisation of the economy and an increase in online services and provision of products – impacts local businesses and hence employment
- loss of human capital from towns as government and private services are
 downsized or closed & people move away there are less well educated
 professionals like public servants/bank managers etc those people who once
 were the backbone of the local clubs and service organisations like the chamber of
 commerce etc and who are prepared to think outside the square to maintain or
 revitalise a town's economy;
- ageing infrastructure for example water and sewer treatment plants make it difficult for towns to support major industry or new industries. Cost of these services is also greater for rural residents as there are fewer people to share the burden of expensive new infrastructure



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Rural towns which are growing usually have some sort of hook to get people there. It might be tourism generated by some festivals and events (that's where human capital is required to get those things happening), or some geographical uniqueness, or a special industry such as wine production, mining, government agency headquarters, new prison, located on a national highway, army base, etc.

Towns that are in decline need to find ways to attract new residents and this can be done through a number of ways;

- Government Incentives for new light industries and larger retail chains to locate in regions such as better tax incentives, relocation subsidies, training of staff, reduced income tax for employees in remote areas to attract skilled people, provision of enabling infrastructure, develop trade policies with other countries or impose tariffs and better transport links to ports/markets.
- Beautifying Central Business Districts to attract businesses and shoppers through increased grants to Councils.
- Providing facilities comparable to larger centres such as playgrounds, all year swimming centres, indoor sport stadiums, sporting amenities, child care centres, etc through reallocation of Commonwealth Financial Assistance Grants from city/metropolitan areas to non-coastal rural areas.
- Government subsidies to drought proof towns in low rainfall areas through new infrastructure such as water treatment plants, bores, pumps and pipelines. This would help in beautifying towns, reduce the cost of water and attract new residents and businesses.
- Increase Roads to Recovery grants for rural areas to improve road transport corridors, enhance safety, reduce wear and tear on vehicles and reduce time taken to get anywhere.
- Create new tourist attractions and events to increase visitation these again need government support to help fund them.
- Increase incentives for skilled health staff to locate in rural areas, upgrade old
 hospitals so that staff can work in modern facilities, reduce medicare levy for
 rural/remote workers whose families have to travel long distances for health care.
- Construct affordable housing that is modern and replace old dilapidated housing with new.





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- Fund new mobile phone towers to cover black spots, increase safety for travellers and allow business over the phone (hands free) while travelling long and boring distances.
- Ensure adequate internet access and data download speed for people to complete home study, work from home and for farmers/businesses.
- Subsidise TAFE training and increase subsidies for trade apprentices we won't
 get the required minimum numbers in each subject so subsidies need to paid to the
 training organisation.
- Expand FBT concessions and what can be salary sacrificed to attract and retain skilled employees to rural areas.

Yours sincerely,

Robert Hunt

General Manager

