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Submission sent via email -- ra.reps@aph.gov.au

Dear Ms Leyne

Please find attached the submission from Regional Development Australia Far West (NSW). We thank you for allowing the extension to our submission. We also sincerely express our appreciation for the effort made by the Inquiry team to visit the region during 16-17 December 2010 to view the Menindee Lakes system and to directly talk with local stakeholders.

This two-part submission was put together following the RDA Far West NSW's direct consultation with the following stakeholders from the region who participated in a teleconference dedicated to the terms of reference. It was held on Monday 13 December 2010. The teleconference participants were provided with the terms of reference and the meeting agenda well in advance of the meeting, so we can claim that these views directly respond to the terms. Part I of this submission was drafted and sent to stakeholders for comment prior to submission today.



Teleconference Participants, 13 December 2010:

Mr Frank Zaknich (RDA Far West NSW office)	General Manager, Broken Hill City Council (BHCC) and RDA Far West NSW Committee Member	Mr Graeme Reville (RDA Far West NSW office)	RDA Far West NSW Committee Member
Mr Mark Hutton (RDA Far West NSW office)	President, Darling River Action Group (DRAG)	Mr Tim Hazell (RDA Far West NSW office)	General Manager, Central Darling Shire Council and RDA Far West NSW Committee Member
Cr Marion Browne (RDA Far West NSW office)	BHCC Councillor	Mr Kym Fuller (RDA Far West NSW office)	RDA Far West NSW Chairman, Committee Member
Mr Robin Edgecumbe (RDA Far West NSW office)	RDA Far West NSW Committee Member	Mr Travis Nadge (RDA Far West NSW office)	Manager, Country Water
Cr Paul Brown (phone)	Mayor, Central Darling Shire Council	Ms Sue Thomas (phone)	Broken Hill Resident
Ms Lesley Palmer (phone)	General Manager, Lower Murray Darling Catchment Management Authority	Prof Simon Molesworth and Mrs Lindy Molesworth (phone)	Authors, the "Menindee Lakes Wetlands Project", March, 2010, commissioned by the RDA Far West NSW
Mr Guy Kingwill (phone)*	CEO, Tandou Ltd	Mrs Linda Nadge (RDA Far West NSW office)	CEO, RDA Far West NSW

*Discussion after teleconference due to conflicting schedules

The RDA Far West NSW has also taken the liberty of ensuring views expressed in other recent consultations have been included, eg during the Inquiry team's visit to the region, during consultation processes conducted in respect of the Menindee Lakes Wetlands Project (between April and November, 2010) and during recent regional events, eg the National Indigenous Land and Sea Management Conference in Broken Hill, November, 2010. We note that we previously sent a copy of the Menindee Lakes Wetlands Project report to your Inquiry. As this is commissioned work, the RDA Far West NSW does not endorse the circulation or publication of this work without our express written permission.

The first part of our submission, Part I, therefore reflects summarised information from all consultation methods. Part II provides more detailed information about the RDA Far West NSW strategies for economic diversification in the region, primarily to alleviate the current significant dependence on mining investment in our region.

As you witnessed first-hand in the region in December 2010, this community has a great interest in any future impacts on the Menindee Lakes system and is extremely supportive of the restoration of the Darling River's health. Our interest in these issues is so critical to the well-being of our region that we seek to make a further presentation to the Inquiry at the Mildura hearing in January, 2011, and seek that you favourably consider this request.

Yours sincerely

Linda Nadge
RDA Far West NSW

PART I

The Standing Committee on Regional Australia will inquire into and report on the socio-economic impact of the proposed Murray Darling Basin Authority's 'Guide to the Proposed Basin Plan' (the Proposed Basin Plan) on regional communities, with particular reference to (see green headings).

Introduction

The Darling River and the Menindee Lakes System (MLS) are significant features and assets in our far western semi arid community. The townships of Wilcannia and Menindee, in the Central Darling Shire, and the City of Broken Hill depend upon the water from the Darling River for life. All of the City of Broken Hill and a large portion of the Central Darling Shire is included within the Basin's geographical area. While our key interest in the Basin Guide is in respect of the Lower Darling Region, we note that the activities in the North of the Basin have a significant impact on the health of the Lower Darling and therefore have an interest in outcomes in that part of the Basin. The RDA Far West NSW echoes the disappointment that was raised in the submission by the Broken Hill City Council about the lack of an MDBA forum in our region.

→ the direct and indirect impact of the Proposed Basin Plan on regional communities, including agricultural industries, local business activity and community wellbeing;

Within the context of the whole Basin, our community members and leaders have expressed a range of views and opinions, but in the main, all substantially agree upon the following:

1. The health of the whole Basin including the Darling River and the Lower Darling Region of the Basin is very poor and requires significant environmental improvements. The Guide is most clear about this. Our community agrees.
2. The transition time necessary to restore health throughout the Basin must be reasonable, cognisant of human capabilities to change and adapt, and sufficient to allow business and industry to adapt. The Central Darling Shire and Broken Hill City Councils, for example, are mindful of these sensitivities. However, there is also an equally compelling need to make swift change, particularly in the Lower Darling region, given its poor state. Our region's proactive environmental "guardian", the Darling River Action Group (DRAG), would strongly favour this. However, understanding these extremes, our community acknowledges the balancing of interests will be challenging but the overarching need to return water to the Basin is imperative, and how and when it is done is an outcome to be determined with the Basin's best interests at the heart.
3. The overwhelming majority view from our region is that the returning of water to the Basin as a result of the *decommissioning** of any of the lakes in the Menindee Lakes system is flawed thinking. Decommissioning of one or more lakes will reduce flood mitigation endeavours during times like right now, when there is too much water in the system, and it will place higher burdens on other infrastructure in the system, eg Lake Victoria would need to become the key source of water for

South Australia during the dry times, and there would be calls on other stores like Hume Weir or Dartmouth for similar accommodations. More importantly for the local residents, whilst reduced water storage and subsequent reduced water management flexibility is key enough, there would be a devastating impact on the ongoing viability of the pastoral and agricultural concerns in the immediate vicinity and flow-on erosion of the quality of life would threaten the future viability of the township of Menindee and have potentially very serious economic and social consequences for the city of Broken Hill. The thus-far silent voices of our Indigenous community likewise reject decommissioning of any lakes, for these sensible reasons, but more importantly from their perspective, for cultural reasons. These are naturally occurring lakes with man-made infrastructure impositions (regulators, channels) which were installed to redirect water flows for flood control, SA water storage. Our community categorically rejects decommissioning of any lakes. Yet, the Darling River Water Saving Project, in all six of its recommendations to the Menindee Lakes system includes some form of decommissioning (from keeping some lakes “permanently dry” through to “reduced operational use” which in effect could result in the same outcome as “permanently dry”.)

**Decommissioning* – The full extent of the meaning of this term must be included, ie from never using one, several or all of the lakes (ie keep them dry) and associated infrastructure again (ie block channels) through to, for example, occasional use with infrastructure intact. Future social and economic impact analysis must be unambiguous about which system change is under consideration. For the simple purposes of this submission, we use the term in its broadest meaning, ie any deviation from the current Menindee Lakes system management procedures affecting the 640/480GL rule.

For current management procedures and the 640/480GL rule, see pp3-4 in the Summary of Background, Darling River Water Saving Project.

4. Quality of water is vital in our community. The Guide is far too silent on this most important aspect. The last 10 years of drought (since broken with rains during 2010) saw our communities suffer yet learn to adapt to, and live with, poor quality water. Broken Hill’s annual rainfall during 2009 was less than half the norm, at 117mm (BOM statistics). During 2010 to the end of November, the rainfall has been more than double the annual average, at 440mm. Prior to these 2010 rainfall events, in the latter half of 2009, dust storms were experienced at frequencies and of magnitudes not remembered since the 1960s. The drought took dust to the Eastern seaboard and New Zealand during one extreme event in September 2009. Some photographs are included to remind us of these times, see pictures 1 to 6.

Commencing very early in this decade of drought, our local water utility (previously Australian Inland, now Country Water) began to take local residents on a tough journey to change water consumption behaviours. This was long before the drought was noticed in most other areas, and long before capital city reservoirs were threatened. The residents in our region were introduced to “user pays” pricing. Our community in the last decade, due to this painful process, has learned to consume less water (30% decline over 10 years, excluding mining use, which has now flattened according to Country Water). During this time, poor water quality ruined plant and equipment, from the simple evaporative air cooler, to sophisticated irrigation systems (mostly household but some business and agricultural systems). The community endured the deteriorating water quality, paid more for it, and suffered added costs due to damaged equipment. Our community

understands the value of water. For many communities in Australia, water is not truly valued yet. Our community endorses environmental outcomes that protect people anywhere from ever again living with the ill-effects of poor quality water.

5. The current entitlement for Broken Hill and district's urban water supply is 10GL per year and this must stay in place to allow for future, local development which the RDA Far West NSW and all local stakeholders are pursuing to address unemployment in the region. Our key industry stakeholders all support the retention of our region's allocation.
6. No person in our region has escaped from increased costs due to decreased water availability and decreased untreated water quality. The drought brought additional discomfort and hardship in the form of dust storms, decreased tourism and zero-to-poor agricultural returns, all such issues resulting in reduced quality of life for the residents in this region. Jobs have been lost in the last 10 years due to drought (eg Tandou Ltd's mothballing operations due to no water) and the global economic downturn from 2007-2009 (eg Perilya Ltd's most recent retrenchments of ~400 workers in 2008). Our community seeks to improve economic growth in our region. The distortion caused by including the Lower Darling Region's population in the Murray Region's population (Figure 2.2, page 16 of the Guide) cannot go unchallenged. The Far West of NSW has experienced decades of population decline and significant decline during the period in question (2001 to 2006). The RDA Far West NSW, along with the Broken Hill City Council, also suggests the Inquiry team also remain alert to the distortion created by the Guide by including Murray River licences in the Lower Darling Region. Our community overwhelmingly seeks opportunity to be left on the table to give youth a reason to live and work in the region. And for this purpose, it is possible that an increase in the sustainable diversion limits (SDL) for this region may be economically justified.
7. The micro impact of the proposed sustainable diversion limits (SDLs) on our small towns and the city of Broken Hill must therefore, be more fully understood. We need to understand the impacts in Wilcannia, Menindee, Broken Hill and outlying communities like Ivanhoe and White Cliffs. We generally feel that we are not yet armed with enough information about how the SDLs, if applied as proposed across the Basin, will impact the Lower Darling Region, given that under all three represented scenarios, we see not much more than a 10% gain to the end-of-system flows against the current base case. An 80% situation is possible with current level SDLs reduced by 7,600GL per year. Certainly, over a very long timeframe, we should be aiming for a picture of green health (p. 68 of the Guide) in the entire Basin but for now, with the current proposed reductions at 4,000GL or less per year, we cannot say how we will be affected without a more detailed review of economic impacts within our region – across communities and across industries in our region. Even then, we need to understand this impact within the context of the whole system. There are serious concerns amongst our community leaders that the Menindee Lakes system will be singled out and used to justify actions elsewhere by self interest groups. Macro and micro impacts are therefore poorly understood at present due to lack of information. We strongly support more investigation and analysis to (i) identify impacts of the three SDL scenarios on existing businesses and livelihoods in our region, (ii) identify impacts specifically on our few regional irrigators who are key employers, (iii) identify impacts specifically on the lakes management issues within the context of all reports and recommendations gone before, including the most recent Darling River Water Saving Project (SKM, March, 2010), and (iv) identify impacts on the RDA Far West NSW strategic plan and business

plan which are touchstone documents guiding future directions for regional economic diversification ambitions.

8. The setting of SDLs will be tricky and challenging but our region juggles the natural version of SDLs in everyday life, every day, every week, every year. A balanced approach is needed and our community is not convinced that the SDLs as presented are the best for us, at a micro level, within the broader Basin picture and we hope that further analysis, conducted in close consultation with us, will clarify matters and alleviate our concerns. Please consider Graphs 1 and 2 which we constructed to demonstrate an important issue. The issue is one of context and placement. Graph 1 shows the current surface water diversions in all of the 19 regions in the Basin (blue bar) and how the proposed reductions will reset limits per region under Scenarios 1, 2 and 3. The issue cannot be any clearer – water over-allocations in just a few areas of the Basin skew the picture. Our community understands that abuses of policy and processes have occurred in these regions, yet tough decisions do need to be made.

Graph 2 removes the data distortion caused by the Murray (traversing NSW, Vic, SA), Murrumbidgee (ACT, NSW) and Goulburn-Broken (Vic) regions, about 63% of the Basin. This is the perspective we need to provide to the Inquiry for the Lower Darling Region. We don't want the relative size of other regions further upstream in the Darling River system to be lost, just as it is important not to lose the perspective of the relative sizes of the Murray-Murrumbidgee-Goulburn regions as compared to the regions in the Darling River system.

We point this out because our region has economic growth capacity yet to be realised and because our regional economy is fragile, and has suffered such hardship and decline over the last several decades, with the population of Broken Hill showing an almost 50% decline in the last 50 years, see Graph 3. In addition to the loss of the bulk of the population, this has contributed to the ongoing loss of government services and businesses in our region. Our councils' rate bases have shrunk to levels that cannot sustain break-even operations and significant external government funding support is necessary. Our population is ageing and about a third or more of the Far West NSW region's people are welfare-dependant. Unemployment is very high and consistently above the State and Federal reported data. A significant number of Indigenous people live in our region and unemployment data among these groups is significantly higher. Our community is supportive of the RDA Far West NSW strategic plan which has an emphasis on sustainable economic growth and diversification.

Graphs 4 and 5 show Country Water's current consumption data and patterns (refer to Items 4 and 5).

Picture 1 – Mundi Mundi plains, 30km west of Broken Hill, January 2010, before rain. Denuded of vegetation cover during a decade of drought and dust storms. Picture 2 – Dust storm rolling in to Broken Hill December, 2009.



Picture 1



Picture 2

Pictures 3 and 4 – Menindee Channel dry on the left early January 2010, and with arrival of water, on the right, Australia Day, 2010. Lake Menindee in background. Picture 5 – Lake Pamamaroo receiving water, January 2010. Picture 6 – Darling River early January 2010, before inflows.



Picture 3



Picture 4

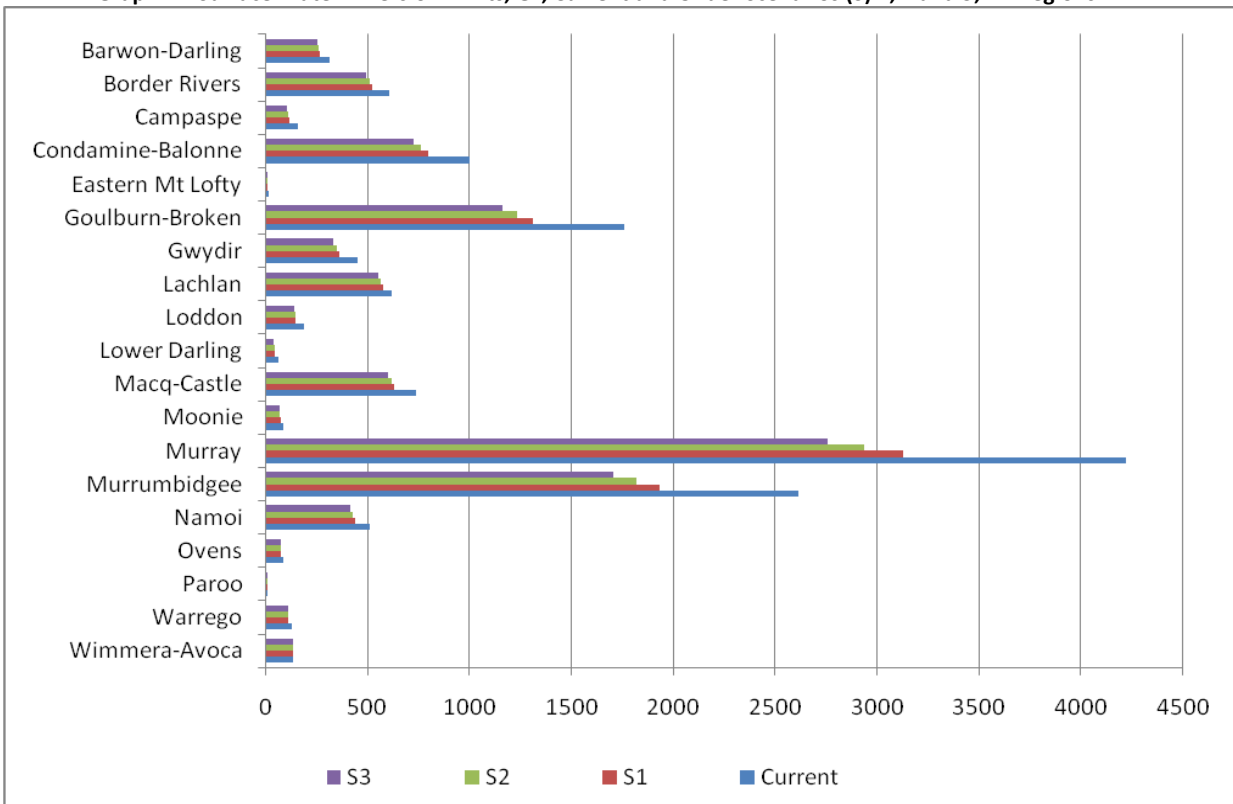


Picture 5

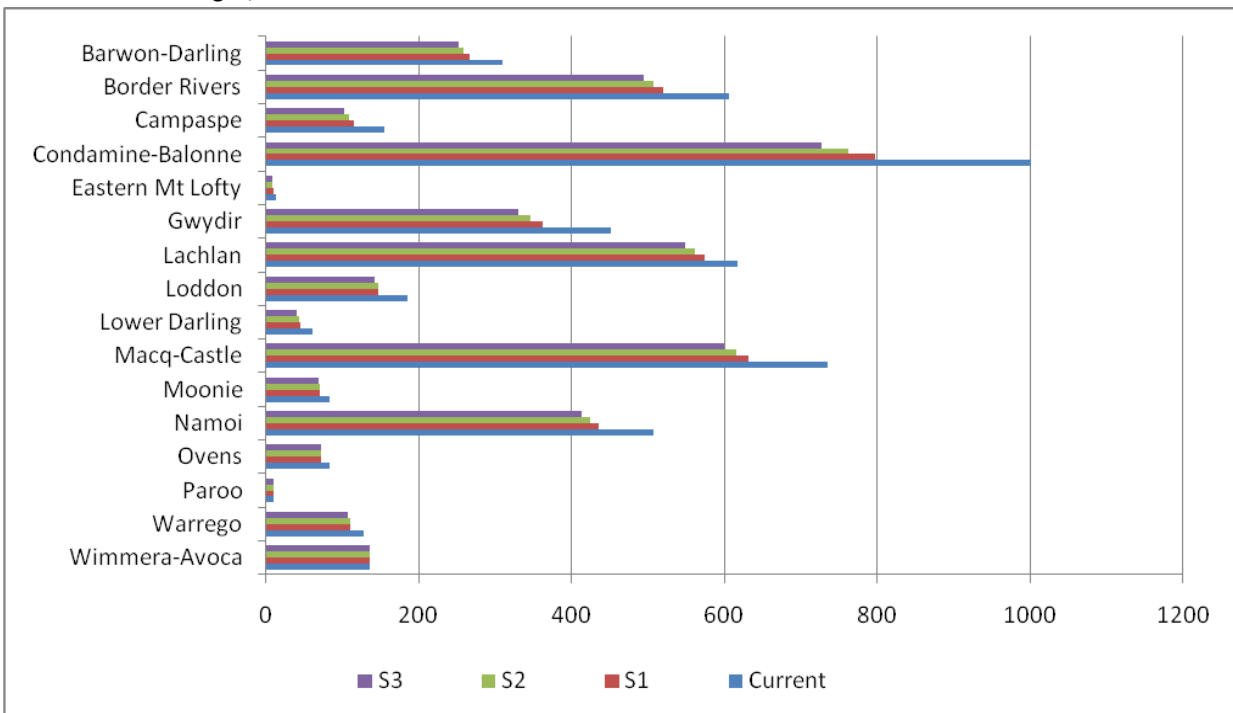


Picture 6

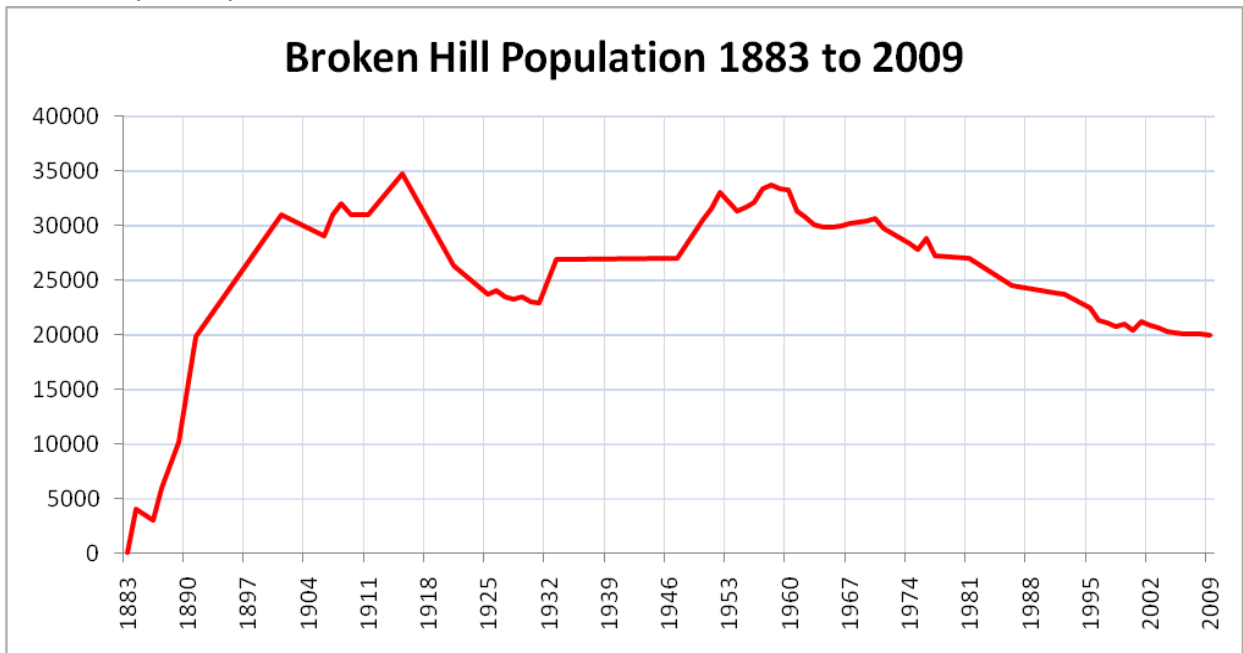
Graph 1 – Surface Water Diversion Limits, GL, Current and Under Scenarios (S) 1, 2 and 3, All Regions



Graph 2 – Surface Water Diversion Limits, GL, Current and Under Scenarios (S) 1, 2 and 3. Data Removed: Murray, Murrumbidgee, Goulburn-Broken

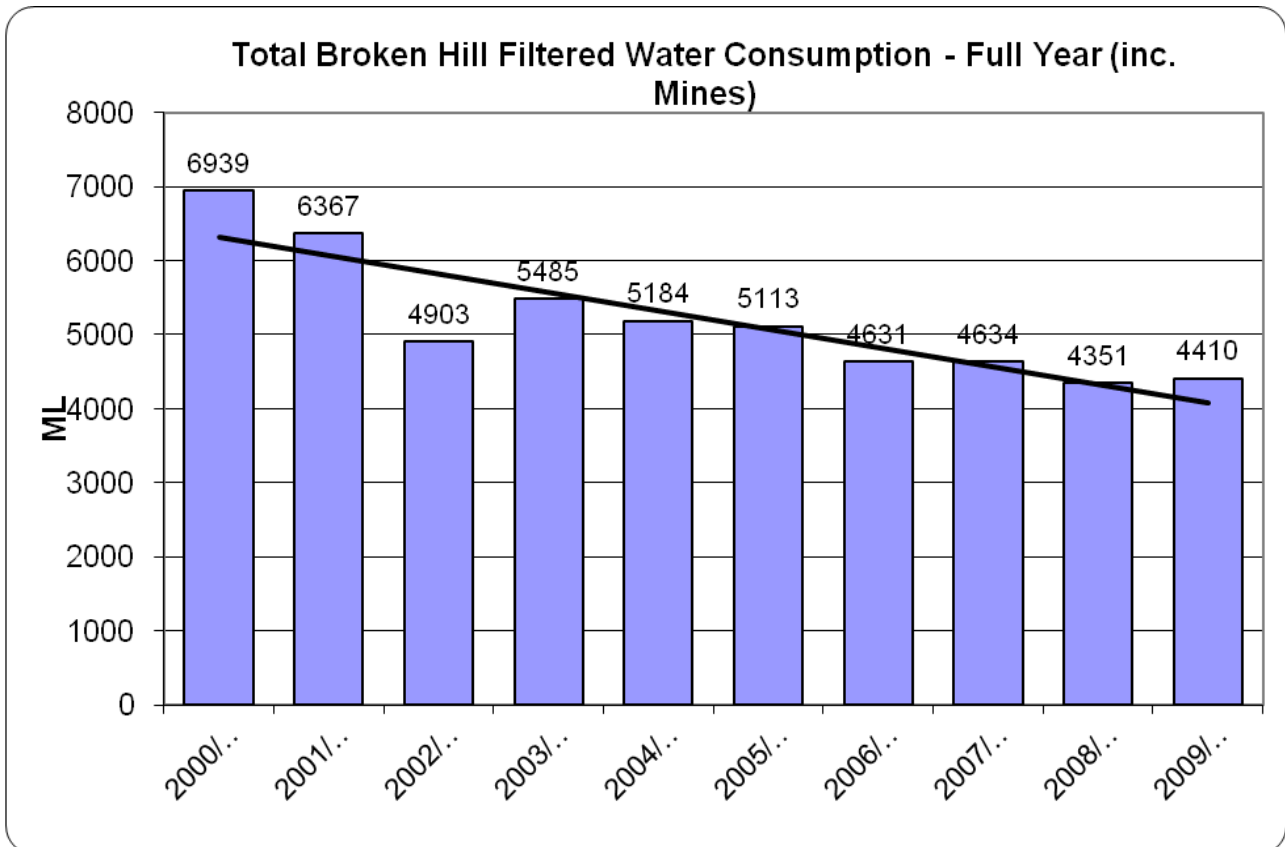


Graph 3 – Population Trend



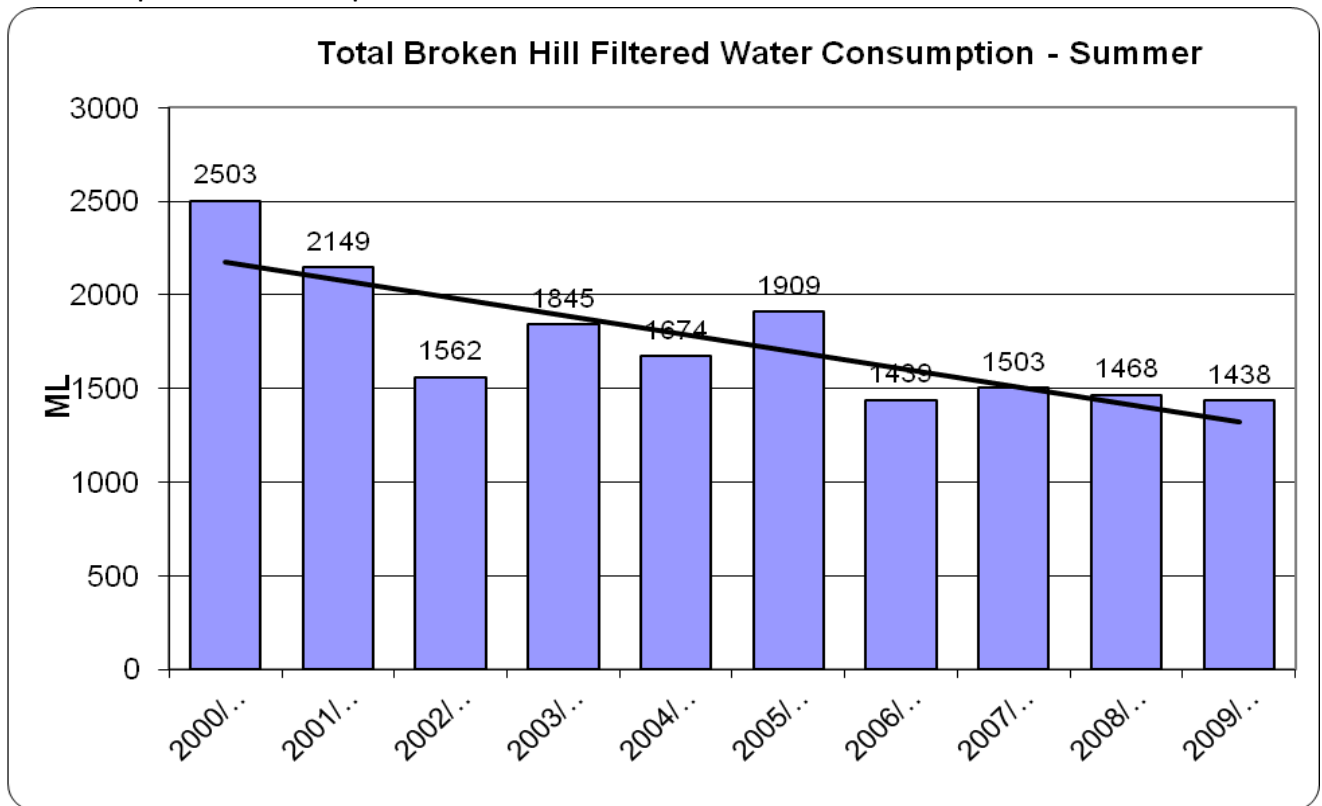
Source: ABS

Graph 4 – Water Consumption Trends



Source: Country Water

Graph 5 – Water Consumption Trends



Source: Country Water

9. The role of the Menindee Lakes system within the Basin is significant, yet the Guide lacks significant reference to this important asset. The State of South Australia has a significant dependence on the system. The Guide does note that the long term average flows to the Murray Mouth, as contributed by the Darling River system, is 17% (if there was no development). Our communities are acutely aware that the Menindee Lakes system is also an important flood mitigation system as well as a water source storage area for SA, particularly during drought years. In terms of SDLs, most of us realise that natural flows no longer exist and restoration of natural flows through the Menindee Lakes will require skill and management that has not been seen in the past. Yes, only 6GL per annum is gathered in the catchment, but this statistic is nonsense outside of the context of “natural flows”.

Once upon a time water stayed in the system in our region and it was not removed by man. There are Indigenous Elders (the Barkindji people) in our community who can talk with passion about what used to be based upon knowledge and tradition derived from 30,000 years of continuous habitation. Aside from the Menindee Lakes’ use as a practical and sensible solution for flood control and down-river water quality control, as well as a part solution to South Australia’s water storage, not to mention relief for other infrastructure in the system that does not have necessary capacity to perform these roles, we suggest that our Elders be specifically consulted in an effort to determine what the near-to natural flows may look like for the Menindee Lakes. Our community supports the Ramsar listing of a part of the Menindee Lakes system near to the town of Menindee (boundaries yet to be determined via more detailed community consultation) as part of the future

economic diversification endeavours in this region. As the Menindee Lakes Wetlands Project report has advised, confirming the international environmental significance of the Menindee Lakes Wetlands will not only achieve significant environmental benefits, but will lead to a multiplicity of economic opportunities, such as eco-tourism, cultural and social benefits of vital importance to the future of the region. Our Elders may have significant information to contribute to the pool of western science and research which would otherwise be used to calculate the water quantities for this purpose. Our community, therefore, suggests that more water may indeed be needed for the Menindee Lakes for this purpose, and this may lead to an increase in the SDL for this region. However, this is water that is not clearly categorised in the Basin Guide as this wetland is not yet established, officially. All major stakeholders in our region support the Ramsar listing, including the Lower Murray Darling Catchment Management Authority (LMD CMA), the two regional councils, the Indigenous community, DRAG, the RDA Far West NSW Committee and many others. Our State and Federal members are also fully supportive of this initiative and will support it in their respective houses of parliament. The RDA Far West NSW notes that further investigation into the water requirements of the wetlands is essential.

10. The recreational and spiritual aspects of the Darling River and the Menindee Lakes system have been overlooked. The Guide noted this aspect but merely noting it is no justification for ignoring these critical factors and the link to quality of life, especially in our region where there are so few options to participate economically, compared to other regions. The National Indigenous Land and Sea Management Conference held in Broken Hill (November, 2010) noted the misrepresentation of the photographic image on page 193 of the Guide. Token references to Indigenous culture and ignoring of the spiritual aspects of the river have been hurtful to our Indigenous and non-Indigenous community alike. Our community supports the involvement the Indigenous community in the broader MDBA Basin issues as they unwind during 2011.
11. It is important to note that our region is open to the opportunities on offer as the nation embraces the rising significance of the “green economy”. We see the restoration of health to the Darling River and Menindee Lakes system as fundamental to our economic growth. These environmental improvements, along with the National Broadband Network’s fibre optics installation at Broken Hill, form the basis of the sustainable economic growth in Far West NSW. One clear opportunity available in our region is the need to produce fruit and vegetables in our region, for our region. This would enable the local population to source fresh fruit and vegetables rather than pay high prices for the produce trucked in from 550km. At times, this produce is unavailable and at many more times, it is of poor quality. It makes sense to provide news of this investment opportunity for small scale fruit and vegetable production via the Guide feedback process, as some experienced growers in other parts of the Basin may seek to relocate along with their skill and knowledge to areas like the Far West of NSW where there are 20,000 potential customers. There is a dire need for this type of production relocation to our region, and there are accompanying training and employment opportunities. The RDA Far West and the regional councils (Central Darling Shire and Broken Hill City) will work together to prepare investment packages. However, it is acknowledged that this is not a water saving initiative, rather an opportunity to relocate from one area of less opportunity to another area offering opportunity. Overall, the net Basin water impact could be zero (eg transfer grower/s from one other Basin Region to the Lower Darling Region, to realise this opportunity) or it may be an increased (quite insignificant) water allocation to the Menindee region. More analysis of

this opportunity is required to document the commercial aspects, and the RDA Far West NSW will seek necessary support from Government for this purpose.

→ options for water-saving measures or water return on a region-by-region basis with consideration given to an analysis of actual usage versus licence entitlement over the preceding fifteen years; and

12. The key comment from our region concerns improvements to be gained through irrigation modifications. Open channels are a luxury of the past and should be converted to piped systems. The LMD CMA notes much progress of this already as it is a feature relevant to the southern end of the Lower Darling Region. Flood irrigation practices, which we acknowledge are a feature in our Menindee area and many other regions, serve a critical purpose and need to be understood within the context of environmental conditions. However, there are perhaps opportunities for efficiency improvements, and the RDA Far West NSW will seek support for local cotton irrigators to research and report upon any alternatives that may be appropriate for this part of the Basin. The RDA Far West NSW and Tandou Ltd will support future work on such efficiencies, and coordinate introductions via North Basin work that may be funded through the RDA networks spanning south-west Queensland and northern NSW.
13. Broken Hill presents a good example of water reuse. More communities across the Basin could benefit from recycling urban water expelled via the sewerage system or through stormwater runoff. In our community, of the recycled (effluent) water available, more than 50% is typically used per year, mainly for watering one of Australia's finest inland grassed 18-hole golf courses, and also for dust suppression and vegetation remediation by local miner, Perilya Ltd. There is a long history of successful effluent reuse in this area. Our community supports increased application of technologies in other parts of the Basin to facilitate water recycling.

The Inquiry also must appreciate that dust suppression in urban areas like Broken Hill, Menindee and Wilcannia addresses significant health (lead dust in Broken Hill) and quality of life implications. Effluent reuse has its own associated health and environmental issues, so application is limited to certain areas. Water from the urban reservoirs is better suited to household dust suppression uses. Our community seeks that regions with higher rainfall become more appreciative of our region's need to continue to use water, in an efficient way, for greening the environment and dust suppression. The Broken Hill City Council and the Central Darling Shire Council both have opportunities to improve the quality of life of residents in their urban areas particularly in key parks, yet lack the funds to do so because of their declining rate bases. Basic amenities in many communities are taken for granted, but in our communities, many of these basic amenities are not yet in place, eg play area for children in Ivanhoe. The RDA Far West NSW will liaise with local civic leadership and state and federal governments to progress the installation of efficient watering systems in key parks and playgrounds.

14. The people in the townships of Menindee and Wilcannia (and Broken Hill) have a vision of creating a boutique community that can encourage sustainable eco-tourism developments. Low-intensity (in terms of people numbers), high-quality (in terms of service and experience) tourism is a feature

of the RDA Far West NSW strategic plan in the region. The suggested reductions in SDLs may severely limit such economic growth – note the earlier Ramsar discussion. These small towns also have potential to produce fruit and vegetable produce for the region, especially highly perishable green leafy vegetables and herbs (also noted earlier). This will create sustainable jobs and improve quality of life in the communities. It would be inappropriate to suppress such future developments and new jobs from occurring in favour of continuing the practice of trucking in produce.

15. The issue of evaporation is an emotional topic that our community fears is taken out of context of the rest of the Basin. Water evaporates in all communities and the Darling River and Menindee Lakes system should not be specifically singled out for any other purpose. Allowance needs to be made for evaporation across the Basin. Note that between 2001 and 2010 the lakes were dry for greater than 80% of the period and no significant evaporation losses could be attributed to the lakes. In all of the future analysis, our community seeks that evaporation is not used as a key justification for structural change to the Menindee Lakes. The other relevant topic here constantly mixed up with evaporation is the security of the Broken Hill water supply. Most people in this region were comfortable with security of supply until the 1-in-100 year drought. The majority of the community see water supply security as linked to all else mentioned, and certainly is a critical issue within the broader Basin context. Changes to the Basin and the local lakes system will never eliminate the risk, only reduce it. Further analysis by independent experts is sought in this area (already mentioned several times).

→ the role of governments, the agricultural industry and the research sector in developing and delivering infrastructure and technologies aimed at supporting water-efficiency within the Murray-Darling Basin.

16. Our communities have been, in one sense, somewhat over-consulted by Government agencies and regulators, but at the same time, much of these efforts have been ineffective. Much of the water debate seems to have been misinterpreted or misunderstood at the local level (as seen in local media reports over the years). Note that the debate in Far West NSW has been in progress for generations. The tabling of the Basin Guide is merely an extension of this ongoing debate. The Menindee Lakes and its 1800GL storage capacity have attracted much attention, review, research, mostly by Governments. There have been, arguably, too many failed attempts at consultation, about issues that are quite complex, out of context of the bigger picture (ie the Basin Plan which is yet to emerge). Sometimes this consultation has been behind closed doors, or it has been by invitation only. Sometimes consultation has been via “key informants”, a logical approach that targets the main stakeholders, which works if the timeframe allows and views are largely similar. The fundamental reason for public consultation is the need to reach out to people, all people, understanding they are all different and take in information at different rates. Public consultation suggests people have a right to become aware of issues as future decisions are likely to impact upon them. In respect of the Menindee Lakes, the outcome of consultation processes has left the community cold and unimpressed. People are generally excited or explosive about the Menindee Lakes issues because of failed consultation processes. People feel decisions have already been made despite consultation. People feel unable to be sure about the best solutions to the Menindee Lakes improvements because of a myriad of issues like this. Only the most informed and most highly consulted people (frequency and time invested) have drawn their own conclusions about the

right recommendations to pursue, but they remain silent because those elsewhere in the community are not yet up to the equivalent level of knowledge or understanding.

It is fair comment to also say that consultation processes have not been effective or cognisant of people's needs. Downloading large documents off Canberra- and Sydney-based websites is not an efficient or effective means for many people in this area. Most of the Indigenous community in the region does not have Internet connectivity. Many household connections to the Internet lack the power and speed to deal with the size of online documents. People have been battling tough economic times and it is unfair to burden them with thousands of pages of hard-to-get-to information that cannot be quickly translated into "what does this mean for me". Businesses and regionally-based government and semi-government agencies, in general, are among the elite few potentially across the broad range of issues, and how these fit together, but they lack bulk community support because the community is left behind.

The Guide and Technical Papers to the Murray Darling Basin Plan fit into the document categories that expect too much self-help and application in our region, due to lack of adequate Internet resources.

But the key documents that have left our community behind are those connected with the Darling River Water Saving Project and the sudden prominence of the presentations and technical works that fall under the title of Managed Aquifer Recharge or MAR. The RDA Far West NSW, after months of discussions within the community, suggests that separate independent analysis of these key works be pursued (i) within the context of the Basin, and (ii) performing associated social and economic impacts of all scenarios and recommendations, and (iii) stating clearly the relationship of and objectives of these works within the context of the Basin Plan, and (iv) clearly explaining who is to pay for the millions of dollars in capital works and annual operating costs.

The Far West NSW community, like the Broken Hill City Council, is also curious about the relationship between the MOU (NSW Premier and Prime Minister) and the Basin Plan and the Darling River Water Saving Project. The community has previously been made aware through various media reports that the Federal Government has \$400m allocated to works to improve the efficiency of the Menindee Lakes. Various people in our community now claim that most of this money has already been allocated to regions elsewhere in NSW. Clarification of these issues is essential for this community to understand the real status quo of consultation processes, what decisions have or have not been already made about Menindee Lakes, and how much of the \$400m efficiency improvement money remains on the table?

17. For this reason, the RDA Far West NSW is unable to specifically pass on with certainty what the community really wants, because the community is still not fully informed or on the same page as the consultants and the government officials who engaged them, as they have had months and years to improve their knowledge of the issues. However, there are pockets of agreement (the Cawndilla to Darling River Channel may be one example, as it sensibly allows increased flexibility to manage the lakes system and this issue emerged as a critical issue when Broken Hill's water supply almost ran dry early in the decade due to mismanagement/human error). There is still great division in the community on a host of other specific engineering solutions. For example, should the Government continue with Lake Wetherell as the Broken Hill water source, or is there merit in an

MAR or a new deep hole at Texas Downs? Is the MAR a key emergency water source for the next 1-in-100 year drought? The RDA Far West NSW notes that some key stakeholders in the region have also formed strong opinions and preferences about recommendations, but these stakeholders also admit they don't know of the MAR proposals. Is this public consultation?

18. The stakeholders in the RDA Far West NSW region did raise their serious concern that given the over-supply of water in the Basin right now, that the issues will be forgotten and nothing will happen. They expressed concern that the political will to address water over-allocation and engineering improvements throughout the Basin, for example, will evaporate over time, as everyone enjoys the good times ahead due to plentiful water resources.

On the behalf of our stakeholders, what does the RDA Far West NSW seek from the Inquiry?

General

The RDA Far West NSW, on behalf of its regional stakeholders, requests more analysis of the anticipated macro and microeconomic impacts across the Far West NSW region. This is to better understand the:

- Basin Guide's three SDL reduction scenarios;
- Six significant, region-changing recommendations in the Darling River Water Saving Project;
- Costs and benefits of many scenarios possible due to the Managed Aquifer Recharge project; and,
- Implications of all of these within the context of the Federal/State Government MOU signed mid 2010.

Our area is considerably under-developed compared to the rest of the Basin, and we, arguably, may in the future seek to encourage small-scale urban growth in centres like Wilcannia, Menindee and Broken Hill with specific initiatives. All of these above-mentioned proposals and consultancies and reports directly impact this region. They directly impact people and investment.

The ongoing debate about which engineering solutions should be applied to the Menindee Lakes system has divided our community and taken the focus away from more critical issues concerning economic development and the pursuit of improvements to the quality of life of people in the region. We wish the Inquiry to appreciate that we need to take a step back and not jump to quick conclusions. The RDA Far West Committee has already expressed its clear view on this to the Federal and NSW Governments.

The outcomes we seek to achieve for the people in our community generally strive for improved:

- Context and purpose, and linkages, in plain English, for all recent reports/works; and,
- Cost/benefit and socio-economic analyses to understand impact of recommendations prior to decision-making.

For future consultation processes, the methods must improve. The RDA Far West NSW is happy to discuss ideas with the Inquiry team and others who may be interested.

Importantly, the RDA Far West NSW seeks to put a team together to present at the Inquiry hearing in Mildura on 19 January 2011. It would be appreciated if the Inquiry would enable us to do so.

The following is a summary of the issues we have identified in our community's submission:

From Item 7 (and refer to Item 16)

Investigation and analysis to identify specific impacts of the three SDL scenarios on:

- (i) Existing businesses and communities in Far West NSW (see Item 16 below);
- (ii) Irrigators who are key employers (see Item 12);
- (iii) Lakes management issues within the context of all reports, including the most recent Darling River Water Saving Project (see Item 16 below); and,
- (iv) The RDA Far West NSW strategic plan and business plans.

In respect of (i), (ii) and (iii), the Inquiry may have a view and we hope it is supportive of this additional work. In respect of (iv), the RDA Far West NSW will liaise directly with relevant government agencies.

From Items 9 and 10

Involvement of our region's Aboriginal Elders:

- (i) To determine what the near-to natural flows may look like for the Menindee Lakes;
- (ii) To gain opinions based on traditional knowledge about where the boundaries of the Ramsar area may best be located; and,

- (iii) To understand water quantities, periods and frequencies of dryness, and other relevant issues, that may support near-to natural flows for the identified Ramsar area.

Recognition that:

- (i) More water may be needed for the Menindee Lakes system for the Ramsar listing of a part of the lakes;
- (ii) Water for new environmental initiatives like a Ramsar listing does not appear to have been addressed specifically by the Guide and therefore requires accommodation; and,
- (iii) More involvement by Indigenous people in the MDBA's Basin Plan is required as consultation continues during 2011.

In respect of these items, we hope the Inquiry is supportive.

From Items 11 and 14

The Inquiry acknowledges the RDA Far West NSW's aspirations as follows:

- (i) There is opportunity for small scale fruit and vegetable production in the Menindee and Wilcannia townships;
- (ii) There are associated training and employment opportunities;
- (iii) Relocation of farmers to our region (along with their investment capital, skills, knowledge) is not a water saving initiative.

The RDA Far West NSW is serious about attracting small scale producers to the region and it will seek assistance from Federal and State Government agencies to assist the Central Darling Shire and Broken Hill City Councils in preparation of specific investment packages to attract new farmers for this purpose.

From Item 12

The RDA Far West NSW will support irrigators in the Menindee area as they are key regional employers. This support may involve liaising with entities in other parts of the Basin to share knowledge on water efficiency initiatives. We seek that the Inquiry appreciates the importance we place on maintaining our existing employers, given the context of our unemployment rates compared to other Basin areas.

From Item 13

The RDA Far West NSW will liaise with Central Darling Shire and Broken Hill City Councils and the State and Federal Governments to seek support to progress installation of efficient watering systems in key parks and playgrounds.

From Item 16

The Far West NSW community seeks clarification on how the following reports and community engagement processes are linked and how they impact on each other:

- (i) The Darling River Water Saving Project;
- (ii) The Federal/State MOU signed mid 2010;
- (iii) The Managed Aquifer Recharge technical works; and,
- (iv) The Basin Guide.

The community also seeks a status report on:

- (i) Allocations to date from the \$400m earmarked for engineering solutions in the Menindee Lakes system;
- (ii) Decisions made to date in respect of engineering solutions to the Menindee Lakes system; and,
- (iii) Clarity of government intentions about who ultimately will pay for the capital works and ongoing operating costs for engineering solutions in the Menindee Lakes system.

The RDA Far West NSW seeks specific support of the Inquiry for all these items.

The RDA Far West NSW will also seek, from the relevant Federal and State Government agencies, more detailed analysis on:

- (i) Social and economic impacts of the three SDL reduction scenarios in the Guide insofar as the SDLs affect our region – removing the distortion created by including Murray River licences from the Lower Darling Region; and,
- (ii) Social and economic impacts of all six recommendations in the Darling River Water Saving Project.

The RDA Far West NSW and all key stakeholders in the region need to be involved in these analyses.

From Item 17

The people in the Lower Darling Region have long talked about the commonsense of putting in an outlet from Cawndilla to the Darling River. Instead of decommissioning Cawndilla, it may be much more beneficial to increase its flexibility and usefulness within the entire system. Our community would like the Inquiry to add this single solution to the mix of all engineering solutions under consideration.

PART II

Overview – Far West NSW

During 2010 the RDA Far West NSW consulted people within the region, tapping into valuable experience and knowledge of long-term residents, to develop a strategic plan, and subsequently the action-orientated business plan. The RDA Far West NSW Regional Plan 2010 to 2020 is on the website www.rdafarwestnsw.org.au. A regional snapshot, following, highlights worrisome social and economic trends, highlighting key areas for change. A summary of critical issues for our region is in the “Drivers of Change” presentation also on our website.

Social

- Most sparsely populated region in NSW - 18.4% of the land mass; 0.4% of the population
- 86% of population lives in Broken Hill
- Decades of population decline linked directly to mining industry change, retrenchments
- People are generally older in our region compared to elsewhere in NSW
- In Wilcannia, people are younger on average due to high birth rates, shorter life expectancies
- Incomes are well below the national average; Wilcannia’s income almost half the national average
- Unemployment is about double the national average in Wilcannia and Broken Hill
- Unemployment is three times the national average in Menindee (no significant change during 2010)
- School drop-out rates high; idle and disengaged youth a significant problem

Economic

- Mining remains the key economic activity after 120 years of extraction at the iconic Broken Hill mine
- Generally, there is a skills shortage in mining and support services
- Regional economy highly vulnerable to global commodity price fluctuations, mining sector shocks
- Underutilised transport and water infrastructure
- Developed support services, eg mining, retail, tourism, arts community
- Growing aged care facility requirements
- Heritage conservation an area of growing importance, opportunity
- Limited agriculture, horticulture; developed pastoral endeavours
- Limited job opportunities for school leavers
- Limited training and education services in region
- Economic diversification is critical to the region’s sustainability

Environmental

- Extreme temperatures in summer, low average annual rainfall
- Wide open spaces, clear night skies, fresh air
- Long sunny days, consistent windy conditions (renewable opportunities)
- National parks are critical assets

Vision

Far West NSW will be economically diverse and prosperous, socially inclusive, environmentally sustainable, innovative and creative.

Mission

To articulate regional economic, social and environmental priorities and to identify and align resources, and engage stakeholders to promote solutions which drive the growth and development of Far West NSW.

Old Problems, New Solutions

Key goals of the Regional Plan evolved to address weaknesses and build on strengths:

1. Broaden the economic base

Rationale: Retention of existing industry and jobs is vital – but new investment will stimulate better use of under-used resources, encourage a more stable workforce, broaden the skills base, improve local goods and services, help develop more sustainable community facilities and achieve other economic, environmental and social objectives.

2. Strengthen the infrastructure capacity

Rationale: Although the region has key infrastructure in place, strengthening regional capacity to manage resources such as water and tapping into relatively new industries such as renewable energy and communication technology will enable the region to grow economically, socially and environmentally.

3. Develop creative industries

Rationale: A two-tiered approach to creative industries is required: (1) support to encourage the growth and sustainability of participants in existing creative industries such as art, tourism and film, and (2) attraction and development of 'new' creative industries with an emphasis on technological advancements.

4. Improve the quality of life

Rationale: A greater balance of service delivery is required across the region to address issues identified in unemployment data, demographics and social profile data, acknowledging that addressing these issues will have a positive impact on other regional issues and challenges.

5. Engage the community

Rationale: A socially inclusive region will seek to reduce disadvantage and increase participation in jobs, education, training and community activities. To achieve this, knowledge and information needs to be shared, and partnerships developed, so all sections of the community are engaged in the process.

These goals were then translated into the actions in the 2010-11 RDA Far West NSW Business Plan.

Direct Links between the RDA Far West NSW Regional Plan ...

and the Inquiry

Our Immediate Practical Approach

How might the Inquiry outcomes affect our immediate practical approach to stimulating jobs and economic growth?

Refer to Plan for context

1. Remove barriers and provide support for existing employers

One of the most significant barriers to existing employers in our region is arguably presented by the current water debate and its potentially destructive outcomes. The creeping impact of globalisation on the health of retailers in Argent Street, Broken Hill, is one of many others, but perhaps more palatable compared to the water debate. Unlike many other parts of the Basin, we argue our local economy is too fragile to recover from too many more economic setbacks. We expect the socio-economic impact studies will highlight this.

2. Actively seek new investment to create jobs in the region

The environment and arts/technology are the two greatest opportunities we have to create non-mining jobs in our region. We realise many regions rely upon tourism, though not all have our unique natural assets (eg Menindee Lakes). We emphasise sustainable developments are targeted and the Ramsar listing of a part of the lakes system is central to the environmental improvements in preparation for tourism development. Decommissioning any of the lakes will devastate these prospects and existing, albeit limited, tourism endeavours.

3. Actively encourage technology-based skills development

Implementation of the national broadband network (NBN) is critical for our region's future skills development, and our general approach to economic development which means doing more with fewer resources. For example, our region cannot justify a new university and not all parents can afford city campus life for their children. However, we envisage leveraging the NBN for education service provision. Critical to sustainable tourism developments will be training. Critical to sustainable tourism profitability will be global marketing from our regional headquarters. Our tagline, in preparation for a more diversified economy, is 'geography is no barrier'.

4. Realise potential in Indigenous business

The link between Indigenous people, the land and water is fundamental to our approach for increased quality of life and economic participation. Our Indigenous people have expressed disgust with the poor environmental state of the Darling River and lakes. We have an opportunity to restore health and celebrate the region's natural assets. Our Indigenous people are central to the delivery of targeted eco-tourism facilities that celebrate their culture, traditions and knowledge.

5. Commence development of a creative industries facility

Creative industries in our region are closely connected to the land and the water. Our artists make a modest living by creating works that capture the environment and its attributes. Tourists are significant supporters of the art economy. 'Creative industries' in the broadest definition includes all forms of art and design, including digital, film and photographic mediums. It is our strong desire to focus on creative industries as a clear alternative to mining in the quest to diversify the local economy. Creative industries intricately connect future growth and prosperity to the environmental assets of our region and the opportunities presented by the NBN.

Specific Initiatives

It is within this framework our specific actions emerged in the RDA Far West NSW's Business Plan.

Our business plan actions are grouped according to the five key outcomes at the heart of the establishment of the Regional Development Australia entities.

RDA Outcomes

1. Enhanced Community Engagement and Consultation
2. Improved Regional Planning
3. Enhanced Whole-of-Government Approach
4. Enhanced Awareness of Government Programs
5. Improved Community and Economic Development

Under Outcome 1, we consulted and continue to consult with our community. Our strategies and business plan have extensive community support. Here were some key themes:

- Older people in our community are worried about why youth are so disengaged with their communities, the loss of inter-personal communication skills due to the digital age and concern about aged care issues in an isolated environment.
- Youth in our community admitted they are bored, restless and lacking challenges in life, but that they want more training and employment options in their communities.
- We discovered extensive “stakeholder-fatigue” – lots of consultation for public issues but with associated claims of not much listening and very little direct action observed as a result.
- We discovered “volunteer-fatigue” – lots of expectations for communities to perform more tasks, with fewer financial and staff resources, and very little thanks. It was expressly mentioned in most of our region's urban centres that the ageing volunteers in the community had no one ‘to pass on the baton to’ (ie youth not inclined to become involved in volunteering).

To address these themes, we have embarked on actions that seek to engage youth, revitalise attitudes to community development and identify inequities that inhibit growth and development in our region.

Outcomes 2, 3, 4 are not relevant for this submission.

Under Outcome 5, more than 50% of our business plan actions can be found. These are the most practical, realistic and achievable actions developed in response to our community consultation processes. Following is the future vision for our region, representing a selection of some key economic development initiatives as contained in our business plan, based upon community feedback, key stakeholder engagement.

Future Vision – Far West NSW – In Brief

Mining and agriculture (cotton, grapes, wool) underpin the economy but expose us to commodity price fluctuations.

Our future prosperity and survival depends upon how well we deal with environment and technology (NBN).

Our region will not support a high population but it can become a distinctive, world-class tourist destination, featuring:

- traditional Indigenous cultural experiences;
- a vast wetlands with more biodiversity than many other Australian Ramsar sites;
- a solid, growing reputation in the film industry;
- an interesting mining heritage of more than 120 years;
- a talented arts community, and emerging creative industries facilities (NBN advantages).

Central to this tourism theme is the Ramsar listing of a part of the Menindee Lakes system and the delivery of the NBN.

Our region may not be able to justify large infrastructure investments in water, energy, transport, health, education or technology based upon current population figures alone. Strategic infrastructure investment is essential. The RDA Far West NSW business plan does not depend upon high-capital projects but it does depend upon preservation of the natural environment and taking advantage of enabling technology.

The restoration of health to the Darling River and the preservation of the Menindee Lakes is most critical to our future vision. A civic beautification project for Menindee is in planning stages. With the support of the Lower Murray Darling Catchment Management Authority, the RDA Far West NSW will seek to secure funds to recruit a project manager for the Ramsar listing project early in 2011. The construction of technology to enable improved communications, ie the NBN, is also critical. It will provide opportunity to the people in our region to continue to participate in the economy at the level they choose (local, national or global). It has associated benefits that, when merged with creative industries and environment-focused tourism, provide outstanding opportunities for sustainable, non-mining, economic growth.

Underpinning our environment and technology aspirations are people. Our people need access to a wider variety of education and training services to gain the skills that will continue to support mining, agriculture and support services, and also to provide for the development of the necessary new skills. We need to provide relevant health services to our people to support their continued residency. For these reasons, technology, like the NBN, is essential to our region and our economic future.

... End of Submission ...