

North West Municipalities Association

Chairperson: Cr Reid Mather
Secretary: Jim McKay

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22 August 2008

Government Drought Support Inquiry
Productivity Commission
Locked Bag 2, Collins Street East
Melbourne Vic 8003

Dear Sir/Madam

Submission to the Government Drought Support Inquiry

The North West Municipalities Association has asked I convey to you its comments regarding the impacts of drought and its impacts upon the communities represented by the Association.

The predominant industry is primary production, ranging from horticulture, wool, cropping, feedlots, forestry and mining to name some. The area has been in drought for some 11 years.

During that time the communities have adapted to the stresses and strains of sustained hardship, however this has come at a cost with the loss of families and businesses.

Education and Training

Drought often results in members of farming families seeking off farm employment but skills are not always transferable. Drought will also result in job losses in farm dependent businesses, (eg agricultural machinery suppliers). There is a need to provide local training and education in a range of skills areas that will provide entry to other employment opportunities, preferably locally, so that the population and workforce in outlying areas is not lost to regional centres or metropolitan Melbourne. The training should be flexible in its delivery and be able to respond to changing needs, quickly, given that there can be sudden shifts in areas of agricultural activity as a consequence of world demand.

The Victorian State Government has initiated a Rural Skills Connect project which aims to recognise and develop farmer's skills so that they can meet shortages in other industries in the region. This is an important first step and has wider application for skilling up the rural workforce, using local education and training providers.

Working Together for our Communities

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Swan Hill, West Wimmera, Yarriambiack*

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Climate Change

The drought is a result of climate variability, but Climate change will have far greater impacts on the rural landscape as the reduced rainfall and temperature increases are realised. The Federal Government has suggested this and drought would be best handled as a risk management issue, and if this it to be the case then appropriate training and risk management tools will need to be provided to enable this to happen.

Equally it is important that before we make any changes to the current Drought Support provisions and implement a risk management regime, it is essential to get past the current drought, and when recovery has occurred then explore these options.

Community Development and Sustainability

Drought all too often results in population loss. This reduces the number of volunteers; the numbers who can make up the local sporting teams and often means leadership, organisational and other highly valued volunteer community skills are lost to the area.

As population declines, the level of economic activity declines as a consequence of this loss of population which in turn leads to services being reduced and businesses closed. It becomes a self perpetuating downward spiral, unless there can be suitable responses to arrest it. Sustainability of these communities in the long term is severely threatened and whilst they may not disappear altogether their intrinsic nature can change forever.

The obvious answer to this dilemma is to retain the population by creating employment opportunities, either by re-skilling, or developing new industries or by the shifting of government agencies back into these small communities and providing employment for locals.

Employment and Professional Development

Drought can be a double edged sword. It may see one employment opportunity disappear, but a new one may emerge. There has been much innovation on the part of the industry, with farmers moving from one form of farming to another in order to cope with the drought or to fill space in the market created by the drought.

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The greatest danger that drought represents is the loss of employment and professional people to the affected community, so the need for employment opportunities as outlined above are an essential element in retaining these professional skills.

It is hoped you will find these comments of some value in your considerations. Whilst the current method of EC support has its problems and can some times mask poor management practices on the part of farmers, there remains a need to assist where there is genuine need. However, having said this, Council would continue to advocate for the current assistance package unless a new one can be found that is equitable and fair in its application and provides the vital support that farming communities need in times of severe drought.

The Council was intending to be at the Birchip public consultation forum, but at the last moment was unable to attend.

Yours faithfully

James McKay
Secretary
North West Municipalities Association

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