



## Murray Group of Concerned Communities:

# Supplementary Submission to the House of Representatives Standing Committee on Regional Australia

*Inquiry into the impact of the Murray Darling Basin Plan on Regional Australia*



The MGCC represents the Central Murray region of 31,300 people who are passionate about living and working in these regional and rural communities. **The Central Murray communities have already given 17 per cent of water entitlements to the environment.**

**Supported by:** Berrigan & District Development Association, Berrigan Shire Council, Berriquin Landholders Association, Bullatale Creek Trust, Conargo Shire Council, Deniboota Landholders Association, Deniliquin Shire Council, Deniliquin Pastoral Times, Denimein Landholders Association, Jerilderie Shire Council, Moira Private Irrigation Scheme, Murray Catchment Management Authority, Murray Irrigation Limited, Murray Shire Council, Murray Valley Community Action Group, Murray Valley Private Diverters, Murrumbidgee Private Irrigators, Peppin Planners, RAMROC, Ricegrowers' Association of Australia, Southern Riverina Irrigators, Sunrice, Wakool Action Group, Wakool Rivers Association, Wakool Landholders Association, Wakool Shire Council, West Berriquin Landholders Association, West Corrgan Private Irrigation

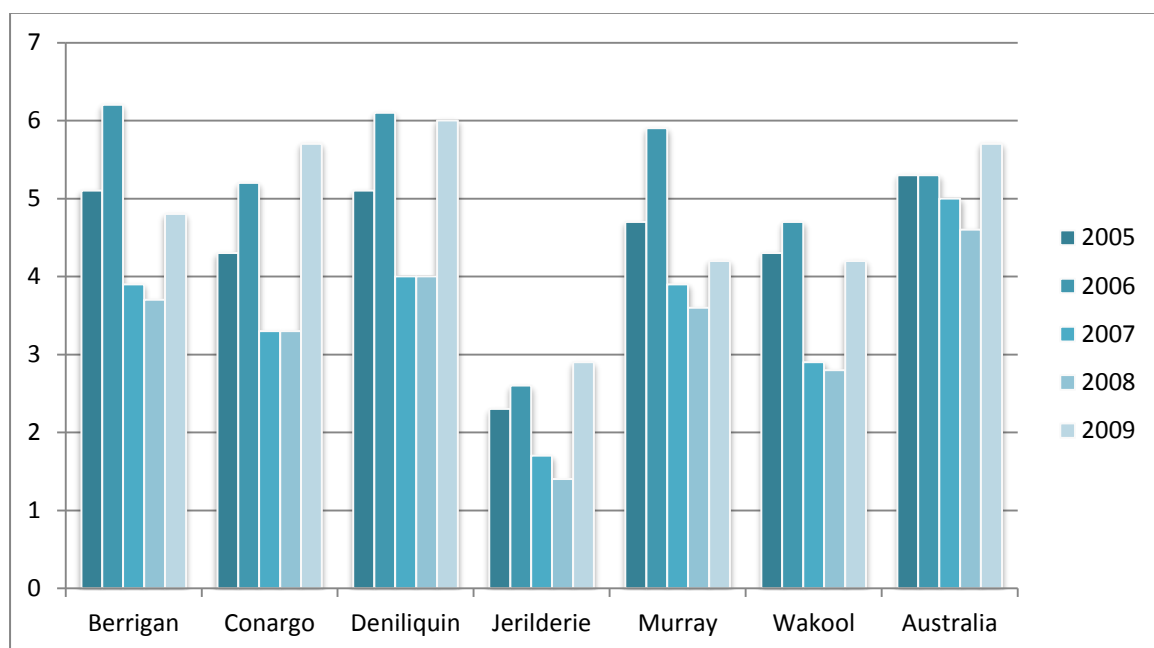
**For the record, could you give us the unemployment rates for this region as an example, say as of now and maybe 10 years ago so we can compare them. Are there any statistics on some of the social ills brought about by poverty and unemployment because of this problem? What sorts of social ills is the region experiencing? Is there adequate support for dealing with those sorts of situations?**

Generally, unemployment in the NSW Central Murray is consistent with national averages, as shown by Figure 1. However, rather than be a reflection of the robust nature of the rural economy, it is indicative of the declining population relative to businesses and labour demand within the region. There has been economic contraction from the drought, following on from the reduction in farming output, however businesses have endeavoured to maintain their productive capacity and in many cases staff, despite significant financial constraints.

The anecdotal evidence suggests that during the period of low water allocation people moved else where looking for work and in some cases, businesses continued to employ staff in some capacity, in an effort to prevent people from going into unemployment; so there have been cases of underemployment.

The unemployment rates for the Central Murray are mostly consistent with Australia averages. However, when examined individually, there are some differences in employment in the local government areas; Jerilderie with the smallest population of 1,700 in 2008 (see Figure 2), has the lowest level of unemployment. Yet there is consistency in the levels of unemployment in that unemployment was lowest for 2006 and 2007 – the worst drought years – supporting the anecdotal evidence of persons leaving the region to find work.

Figure 1: Local Government Area Unemployment Levels

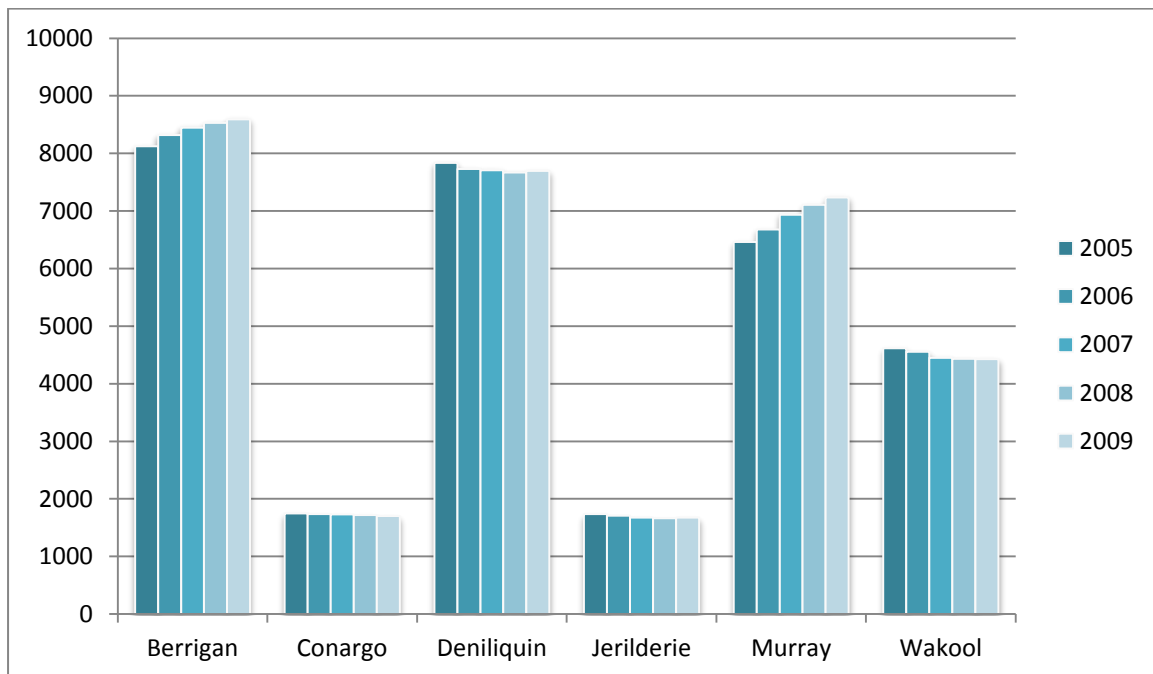


Source: Australian Bureau of Statistics

Further, it is extremely difficult to find skilled labour in the region, with many skilled people leaving the area in order to gain employment during the drought, particularly in the mining sector, and in some cases, people have left the region permanently in search of employment. The labour shortage has become particularly evident in recent months with the rapid increase in business activity due to rain.

In the local government areas of the Central Murray region, there has been a population decrease in the Conargo, Deniliquin, Jerilderie and Wakool shires, while there has been an increase in the Berrigan and Murray shires, as people move away from the more rural areas to the regional centres. Overall, population has increased, but slightly, from 30,517 in 2005 to 31,323 in 2009 (2.6 per cent).

Figure 2: Local Government Area Population

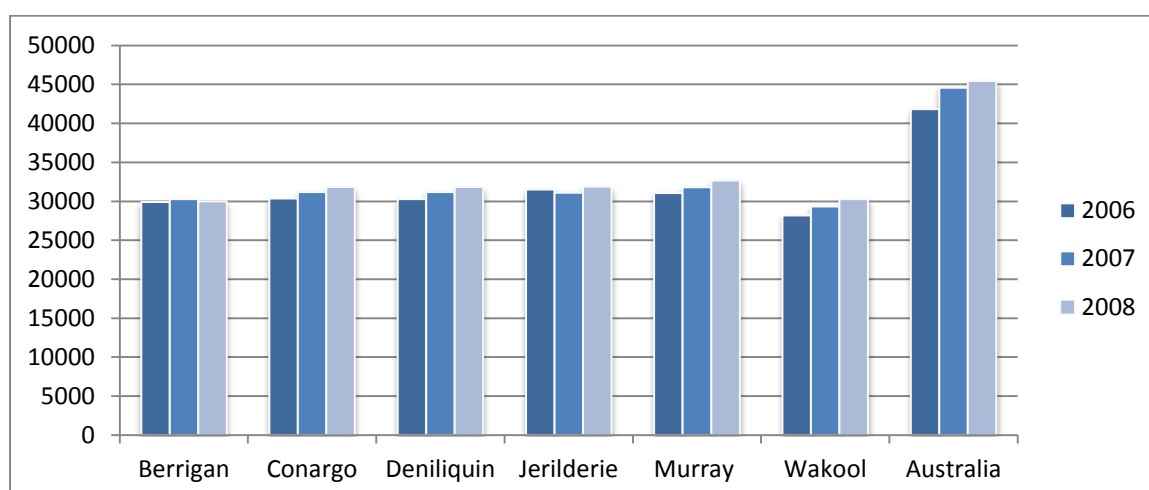


Source: Australian Bureau of Statistics

There has also been a change in the earning structures of the community, with the proportion of non-taxable individuals increasing from 4,283 non-taxable individuals (25.1 per cent), who had an average taxable income of \$6,990, to 5,451 non-taxable individuals (31.3 per cent) earning an average of \$8,135. This development suggests cases of underemployment of the work force, or more significantly, the increased dependence by individuals on government welfare.

In terms of average income, the Central Murray region is well below the national average, as shown below. In 2006 average incomes for the 17,076 income earners in the NSW Central Murray region was \$30,084, increasing to \$31,266 in 2008, significantly lower than the national average of \$43,648 in 2008. Figure 3 shows the average income for each local government area.

Figure 3: Local Government Area Average Income



Source: Australian Bureau of Statistics

In terms of the health of the community and social ills in the community, there have been some dramatic changes in the structure of community services groups in the NSW Central Murray region which reflect this.

Pat Fogarty is a member of the Deniliquin community who has worked within a number of social service organisations throughout the region and has provided anecdotal and some statistical data to the MGCC in preparing a response for the Parliamentary inquiry.

The number of employees and budgets for social service organisations is a very quick means of establishing the increasing importance that has come with the social concerns arising during the drought.<sup>1</sup>

- Vinnie's Reconnect has increased from two employees in 2005 to a current total of 11 employees, with a recruitment process underway for an additional three employees;<sup>2</sup>
- Homes Out West has increased from one employee in 2000 to currently have eight employees;<sup>3</sup>
- Intereach's budget has increased from approximately \$750,000 in 1999/2000 to over \$8 million in 2011.<sup>4</sup>

Ms Fogarty stated that the increases 'demonstrate the levels of welfare dependency ... [we are currently] working with people who would never have fallen within our client group.'

<sup>1</sup> Ms Fogarty notes that there have been some government policy changes with the Department of Housing withdrawing its services from the region and passing its responsibilities to social service organisations; however, this is only one aspect of the increase in the demands for the services provided by these organisations.

<sup>2</sup> Vinnie's Reconnect is an arm of the St. Vincent de Paul Society and provides family and youth services in the NSW Central Murray Region, focussing primarily on addressing and preventing homelessness.

<http://www.vinniesdeni.com.au/>

<sup>3</sup> Homes Out West is a not for profit community housing provider, in the NSW Central Murray region.

<http://www.homesoutwest.com.au/>

<sup>4</sup> Intereach provides youth, family and community services across the NSW Central Murray and Murrumbidgee regions, with regional offices in Deniliquin, Wagga Wagga and Albury; this growth has occurred mostly in the 2000 – 2011 period. <http://www.intereach.com.au/>

In terms of the concerns for the increase in “social ills”, Ms Fogarty stated that ‘apart from housing issues, there has been an escalation in domestic violence – families have been pushed to breaking point.’

This includes violence in the emotional, verbal and physical sense, as families struggle to cope with the pressures that they face, as ‘finances are so strapped within the family;’ for example there have been significant threats of foreclosure by banking institutions.

There are many families who have no cash income, but are asset rich (in terms of the farm land asset) and are unable to access government services and assistance.

‘This is having a profound impact on young people,’ continued Ms Fogarty; these youth are being referred to the social service providers, such as Vinnie’s Reconnect, by their school etc. to deal with issues that they are facing. Young people are being referred due to “conflict in the family”, which in reality is domestic violence.

This is supported by Police reports, which point to Deniliquin as a relatively safe place to live in general, while having very high levels of domestic violence.<sup>5</sup>

However, Ms Fogarty stated that you ‘need to be able to hear the stories, to have the comprehension of the issues.’

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<sup>5</sup> Police BOSCAR reports