

Submission Number: 548

Date Received: 25/01/11



24 January 2011

The Committee Secretariat
House of Representatives Standing
Committee on Regional Australia
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Sir / Madam

**Re: *Shire of Campaspe Submission
Further Addendum – Deniliquin 24 January 2011***

The Mayor of the Shire of Campaspe, Cr Neil Pankhurst, presented to the Committee's Public Hearing at Deniliquin on 24 January 2011. Cr Pankhurst's presentation has been formalised in this letter as a further addendum to the Shire of Campaspe's submission to the inquiry.

Councillor Pankhurst's Presentation

While Campaspe shares its fate under the Plan with many parts of the Basin, today I wish to give the Committee insight into what the Shire of Campaspe might be like if the Guide translates to the Basin Plan.

The Shire of Campaspe was fortunate in 2010 to be one of four municipalities in the Murray-Darling Basin that were the subject of a case study into this very issue of changed water conditions. Judith Stubbs and Associates was engaged by the Cotton Catchment Communities Research Centre to look into the relationship between Irrigated Agriculture and Community Resilience. From this study we know the following:

Employment Loss

If water reductions in Campaspe are similar to those averages proposed under the Guide to the Basin Plan, that is, in the order of a 35% water reduction, then the Shire of Campaspe faces a minimum of 8% employment loss. For Campaspe this equates to 1,200 jobs lost.

This is largely because irrigated agriculture, and in particular dairy, is such a predominant industry in our Shire, that impacts of the water reductions proposed in the Guide are unlikely to be able to be mitigated.

Related to this is the opportunity cost that water reductions and uncertainty bring to our municipality and region. The benefits that the industries and communities had hoped to see, and that were forecast by the Government, from the \$2 billion investment into the GMID irrigation modernisation project are at risk as investment confidence is jeopardised by the Guide.



Lifestyle & Opportunity

Cnr Hare & Heygarth Streets,
Echuca VIC 3564
PO Box 35 Echuca VIC 3564
DX 62508 Echuca

Tel: 1300 666 535
(03) 5481 2200

Fax: (03) 5481 2290

Email: shire@campaspe.vic.gov.au

www.campaspe.vic.gov.au

ABN 23 604 881 620

Population Decline

Again, under the water reductions proposed in the Guide, many communities are forecast to suffer further population decline. Largely this is due to employment loss, and reduced services impacting on the liveability of these communities.

For Campaspe, which has held consistent population growth of greater than 1% even in difficult times, population is projected to turn from an average annual growth of 1.2% to an estimated adjustment of a 10% decline, or 3,800 people.

Given the reduced employment opportunities it is anticipated that the demographic most likely to leave Campaspe is that of young families, leaving older more dependent communities, which further exacerbates the sustainability challenges already faced by Rural and Regional Australians.

CONCLUSION:

Campaspe communities value the environment and want to be part of a solution

The best environmental solutions will be found through working with the catchment management authorities and water authorities who have intimate understanding of their catchments and the relationships to neighbouring catchments within the Basin.

There are a number of environmental projects already identified that can offer highly-efficient water use outcomes, such as the Gunbower Island flood diversion works in our own municipality. All such opportunities across the basin must be exhausted before irrigation water is targeted.

It is critical to have a balanced Basin Plan that considers the community, and its social and economic needs, as being of equal importance to those of the natural environment

The Judith Stubbs report has highlighted the impacts faced by Campaspe. The impacts across the 2 million residents of the basin must also be also considered.

We therefore ask the Committee to make recommendations about how these things can be achieved.

To this end Council believes there is a need to re-establish the community trust and faith in the processes that will develop the Plan, and recommend the following steps:

1. Re-engage the communities
2. Build the case for change
3. Establish a balanced framework
4. Demonstrate environmental efficiencies and for environmental works to be exhausted
5. Reassess the environmental needs and data used for modelling
6. Plan and implement the change

Yours faithfully

KEITH BAILLIE
CHIEF EXECUTIVE OFFICER