

Drought Resilience Funding Plan 2020 to 2024

Wimmera Development Association

Wimmera Southern Mallee Regional Submission

The Wimmera Development Association (WDA) is the regions peak economic development organisation servicing the Wimmera Southern Mallee and includes the member Councils of West Wimmera, Hindmarsh, Yarriambiack, Northern Grampians, and Horsham. The Association's role is to work with business, the community and government(s) to attract new investment, further develop existing business and promote the Wimmera's sustainable development and employment opportunities, both within and outside the region.

This submission has collated input from several stakeholders across the Wimmera Southern Mallee region, including member Local Government and a number of industry sectors. Overall, the plan well states outcomes objectives and actions and it is great to see the inclusion of the triple bottom line of profitable farming, NRM outcomes and social outcomes all articulated. However, it is seen that not linking the three is a weakness. Striving for one of the strategic priorities can impact one or both of the other two.

Highlighting the fund is to improve public good outcomes rather than directly improve farm profitability is important and clear in the document.

Question

How can current work supported and funded by farmers (R&D levies through RDC's) or CRC (Industry puts up funds) be recognised to jointly fund projects, as often these projects have a heavy profitability focus and it will be a great way to leverage outcomes?

Question

Is Resilience stable/growing food and fibre production across Australia or is Resilience stable amount of people involved in food and fibre production and the servicing/ living in rural and regional communities? You need to go about them in very different ways and the two goals are unrelated but both goals worth pursuing.

Feedback

Creating diversity in rural and regional communities is extremely important to assist with underpinning these local economies, however, with it comes a risk of decreasing resilience in these communities by further breaking down the support networks within the agricultural sector.

This plan needs to recognise that whilst the younger generation coming into agriculture are tech-savvy and adopters of new technology, the older generation is still very much engaged by face to face service

delivery and support, therefore requiring a transitional plan to deliver support in many ways to reach as many people in needs as possible.

In Western Victoria, several new industries are currently in inception/planning stages. In the mining sector alone, there are three mineral sands mines in late planning stages, currently seeking investment. It is possible for at least one of these mines if not more will come online in the near future. These mines will be the largest sand mines in the Southern Hemisphere and the three sites are all within 50km of the township of Horsham. If we use the figures from one mine, it is expected that a workforce of 3-400 will be required and this number will also have a flow-on effect of approx 1000 jobs to support. In a Local Government Area with a population of 20,000, it has already been highlighted that this will further exacerbate the workforce attraction and retention that the Wimmera Southern Mallee region is already facing. In addition to the mining activity, a protein production facility, a large scale horticulture facility, prison expansion and abattoir expansion are also in the planning and development stages.

Once projects such as these commence, it is expected that a significant impact will be felt by the regions agricultural sector as was seen during the mining boom in the late 2000s. At that time, many workers from the agricultural sector and other support businesses left the industry to increase their earning potential, not only leaving many businesses lacking capacity but also driving up salary levels to try to compete and attract workers.

Health services are currently stretched to capacity and housing availability is a significant issue. Mental health outreach programs have been delivered in several forms over the past decade, unfortunately, all being attached to short term funding. With this model comes risk. Establishing a health program to assist and then only to have it withdrawn due to funding creates a false sense of security for those in need. In many cases, these support services have been defunded once the breaking rains have arrived and the next season looks promising, however, drought doesn't finish when the rains come, it is over once the financial situation has started to recover.

A review into taxation and rating support for rural and regional communities and the agricultural sector needs to be undertaken to create a fair and equitable landscape to encourage these enterprises to not only thrive but also encourage the younger generation to enter food production for future generations.

How is drought funding and/or drought declarations decided upon? The current system of funding by Local Government Area is flawed. West Wimmera Shire in Western Victoria is 188m from North to South, the northern half of the shire is predominantly dryland cropping, the southern half below the Little Desert receives generally higher rainfalls and accesses some groundwater irrigation. However, drought recognition uses shire wide data to establish the severity of the drought for assistance. This issue is repeated in many shires across western Victoria.

Recommendation 1

That funding is secured for regional drought/resilience coordination across Australia. Many projects and activities are occurring in each region however many opportunities are missed to build resilience as efforts and activities are not leveraged. Coordinating ongoing long term support for the agricultural sector to continue to grow and evolve, continuing to improve production capabilities to tackle changes in climate is a key role. Coordinating communication between the many organisations and ensuring efforts are leveraged and support one another will increase resilience both on and off-farm including supporting businesses.

Recommendation 2

Projects supported by the Fund need to articulate how they impact on their primary priority and how they may impact on the other two key priorities. Not every funding request has to be positive for all three just that the expected outcomes both positive and negative need to be documented.

For Example, increased profitability on-farm by labour-saving changes (No-Till Farming for example) Has a positive effect on soil and the environment due to improved soil health and soil cover leading to enhanced biodiversity but has a negative effect on rural communities as less labour is needed to carry out paddock seed preparation and sowing leading to depopulation and a reduction in critical health and education services impacting the vibrancy and viability of the region.

Recommendation 3

The fund does not mention community health at a small-town level. Whilst the fund does not and (should not fund?) community health resources directly it can play a key role in coordinating and ensuring communities can unleash the potential of the various health providers and funders which takes more than a volunteer. The coordinated collaboration of services and funders is an essential role and can add significantly to the social capital and viability of rural communities.

Recommendation 4

Work where possible should employ people in rural and regional communities. Initiatives that address the funds strategic objectives and facilitate decentralisation should be prioritised. Projects that require people to live and work in regional, rural and remote rural communities need to be recognised as having more tangible and measurable economic and social cost-benefit to the rural regions.

Projects that encourage people to work and live in rural and regional communities, that builds local services through a coordinated area attraction and retention agenda, quality of services (capacity and capability) and should be more highly regarded when it comes to assessing merits of projects.

Recommendation 5

It will be important for the above recommendations that the fund remains focussed on drought resilience and not have mission creep into areas that are already well supported with funding meaning other funding can be redirected. Weather information will be particularly vulnerable to this. Also ensuring that as these actions are supported it highlights the impact on both NRM and social outcomes.

Recommendation 6

One area that is not covered is encouraging farmers to think of the range of career choices; diversifying skills to ensure financial viability and sustainability in less successful years. E.g. in the Wimmera health, education and mining opportunities are projected to grow over the next 10 years. The fund should take an active role to promote the imperative of skill diversification as part of sustaining the economic and social capital of rural regions? Also articulating what is meant by the term farmer is needed. Is it the person who owns the capital, is it the person who is making the operational decisions or is it the person working on the farm? In the past, this may have been one and the same person. This is no longer true and thought needs to go into what mindset and capabilities need to be built. Sometimes encouraging people who own farms and are currently managing the operation should be encouraged on how they may use their labour in other ways. We should not reinforce the mentality that if you were born onto the farm and you are x generation farmer, your option is to stay on the farm. Rural resilience will come about when people in rural communities see a whole range of career choices whilst still having a passion for rural living and working on the land or those who choose to do so.

Recommendation 7

That drought resilience fund does not reinforce the thinking that a farmer is the owner of the farmland (Capital) the operations manager and the worker. Modern farming has moved on and this fund needs to reflect this in the way initiatives are designed. The initiatives need to be differentiated to respond to the divergent workforce needed to successfully farm. Access to and inclusion in initiatives is critical to establishing a drought futures fund that will build the economic, climate and social capital of farms and support services in rural and regional areas

Recommendation 8

Co-design, as mentioned in action 4, should be a key requirement of all funded initiatives. Co-design is best done with clear problem identification, collaboratively and co-designed solutions. It should not be limited to NRM actions.

The plan does not discuss opportunities to greatly lower on-farm emissions. Should energy production via wind and solar be included? Does hydrogen have a place in lowering on-farm emissions and should this role be included in the plan?

Recommendation 9

There is a chance that various levels of Govt departments will see this as an opportunity to cost shift. Projects that would normally get funded from another source will be told to seek funding from drought fund and then it may be considered. This will have a long term negative effect on rural communities and lead to many unintended consequences. Core Government activities should not be funded by this fund. Therefore there needs to be some sort of ombudsman oversight with regular reports provided showing how the fund is not used to subsidise the core business of government. Rural Regional Communities should not have to depend on this fund to receive core Government services.

Recommendation 10

Build local and state government stakeholder engagement to leverage collaboration to achieve measurable impact and outcomes through community consultation, initiative co-design, collective responsibility for implementation and measuring outcomes and impact which translates into vibrant viable and sustainable rural regions. This builds on recommendation 1

Recommendation 11

Develop a clear Operation plan that describes delivery targets and activities at a local level that tie into the national plan. The drought fund will need to consider who the "enablers" of the fund projects will be, whose responsibility it will be to align policy, local, state and federal government expectations and within the funding envelope/s available. The fund needs to do the backend work first to ensure the opportunity is fully realised for the people and communities for whom it is intended.

Recommendation 12

Indicators must be established to consistently measure the outcomes and improvements to rural and regional resilience. This monitoring and evaluation plan needs to be transparent and work both at a local level and feed into a national report. The monitoring needs to be updated annually. These will be from a vast range of sectors across services that operate in regional and rural areas from support services and businesses through to health and education. Examples need to be agreed upon and below are possible indicators;

Profitability Sector

- Water use efficiency. Stock carrying capacity and other Ag productivity measures
- ABARES farm profitability
- Water availability for production
- Farm emissions

NRM

- Natural Capital Valuation
- Soil Health measured through Soil Carbon and Nitrogen
- Biodiversity indicator species
- Waterway health

Education

- Maternal Child Health data
- Kinder attendance
- Aust Early Childhood Development Census
- NAPLAN 3,5,7,9
- School-based Apprenticeships

- School completion
- Apprenticeships
- Traineeships
- University

Rural & Regional Health

- Mortality and morbidity rates
- Domestic Violence
- Food security
- Teenage pregnancy
- Hospital admissions

Social Indicators

- Volunteering rates
- Club and sport participation rates
- Population diversity

Suggestion

Investigate the optimal governance/government service/taxation structure to ensure resilient Australian rural communities. Does the current setup of how the tax system is structured deliver the best opportunity to create a resilient rural population? Is the way public services delivered optimized and do we have the governance in place to create a resilient society. If things can be improved what are the risks involved and what costs would there be. These big-picture ideas are worth investigating as we cannot assume that we have the right structures in place and the cost in change is not worth understanding.

Wimmera Development Association looks forward to seeing the outcome of this process and the opportunity to be involved in any future consultation around this process.

Sincerely



Chris Sounness
Executive Director
Wimmera Development Association