

GOONDIWINDI

UNDERSTANDING COMMUNITY CONDITIONS



Northern
Basin
Review



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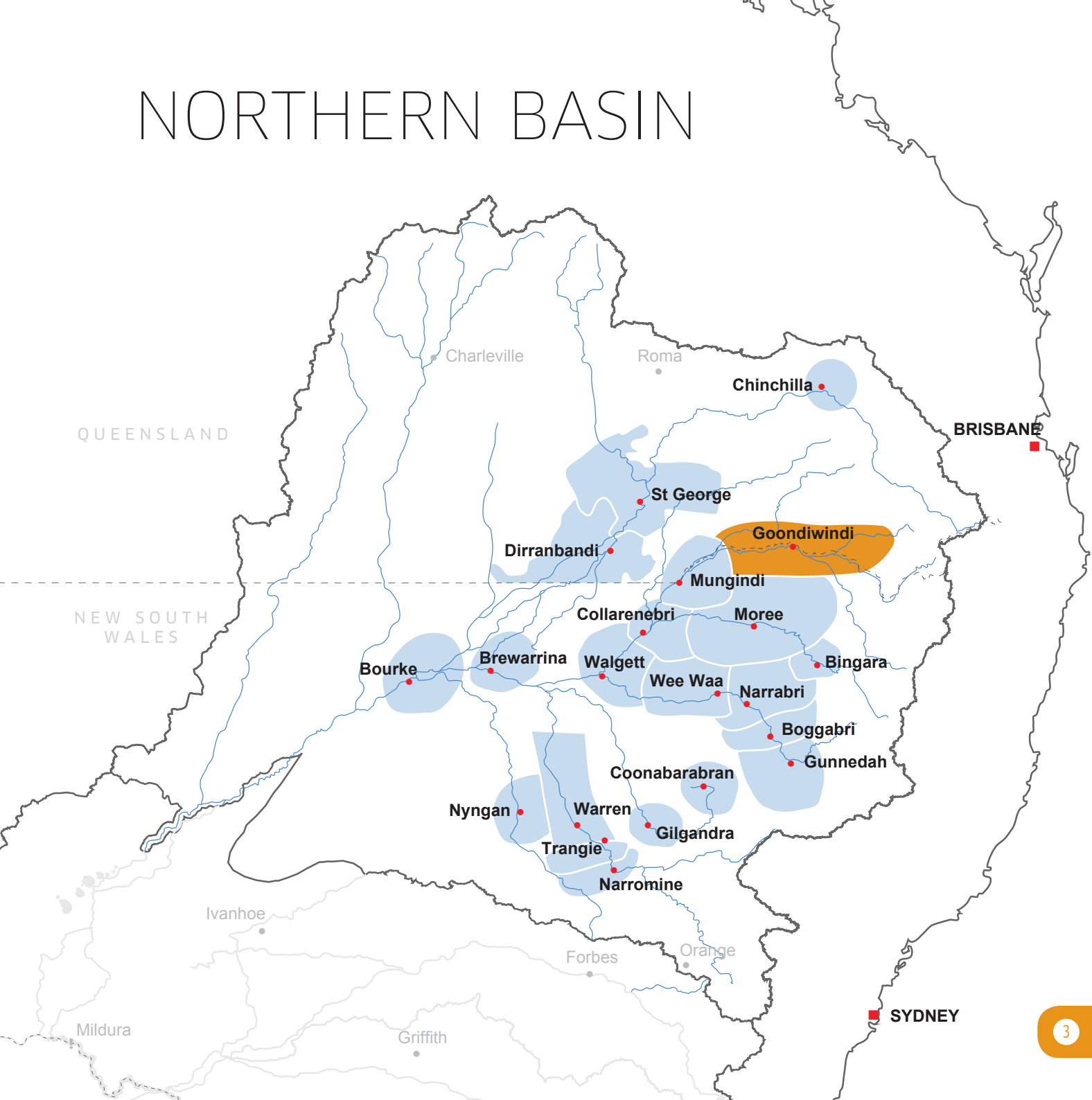
What is happening

Goondiwindi is a growing rural community at the convergence of 6 highways on the New South Wales–Queensland border. There was a small decline in the population and employment between 2001 and 2006 but stronger growth from 2006 to 2011.

While the local economy of the Goondiwindi community is becoming more diverse, there is still a strong reliance on agriculture. The agriculture sector is a mix of grazing, dryland farming and irrigation.

The general social and economic conditions in the local community are quite sound. To date most water recovery has been through investment in infrastructure by the Australian Government. Further water recovery in the Goondiwindi community would be occurring in the context of these positive conditions.

NORTHERN BASIN



Goondiwindi and surrounds

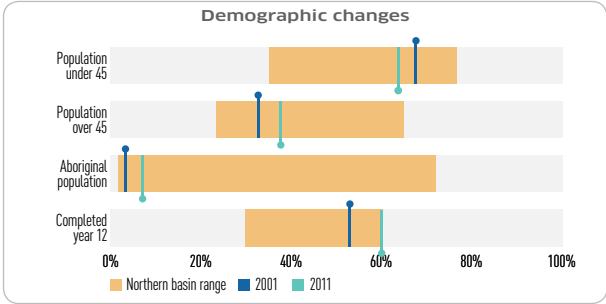
What the research tells us



POPULATION

	2001	2006	2011
Total area population	9,611	9,489	10,086
Total town population	5,477	5,629	5,512

Between 2001 and 2011, the Goondiwindi community population increased by 475 people (5%). This change includes a small decrease in the population between 2001 and 2006, before an increase between 2006 and 2011. During this time, the town population was relatively stable at around 5,500 people. Most of the decrease in the population between 2001 and 2006 and increase between 2006 and 2011 is associated with the



farming areas. In 2011, 7% of Goondiwindi's town population identified as Aboriginal.

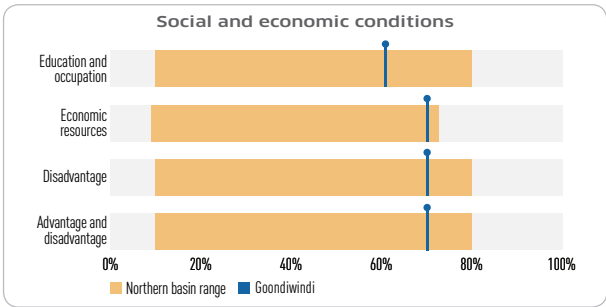
In 2001, 32% of the town population was 45 years or older. This increased to 37% by 2011. The change in population includes a 15% increase in the number of people aged over 45 years and a 6% decrease in the number of people under 45. Most of these changes occurred between 2001 and 2006.

EDUCATION

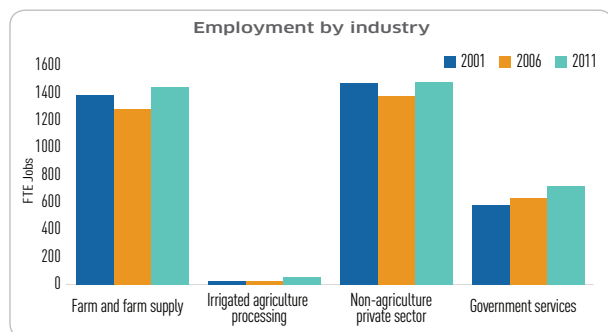
In 2011, 60% of people in the town (aged over 15) had completed year 12 and 28% had completed some post-school qualifications. This is an increase from 24% in 2001.

In 2011, Goondiwindi had index scores of 7 for economic resources, disadvantage and advantage, and disadvantage, and 6 for education and occupation. For 2006, Goondiwindi had index scores of 8 for economic resources and 7 for the other three measures.

General social and economic condition



EMPLOYMENT



For the Goondiwindi community, there have been small changes to the local economy structure. In 2011, there were 3,696 full time equivalent (FTE) jobs held in the Goondiwindi community (excluding seasonal workers). Changes to employment in the Goondiwindi community between 2001 and 2011 include a 4% decrease in the workforce between

2001 and 2006 and an increase in jobs of 11% between 2006 and 2011. Overall, there was a 7% (234 FTE) increase between 2001 and 2011. Unemployment in the town of Goondiwindi was 3% in 2011.

Between 2001 and 2011, the agriculture and agriculture supply and the non-agriculture private sectors were roughly the same size, while the government services sector was significantly smaller. Goondiwindi is the only community studied where employment in the agriculture and agriculture supply sector increased between 2001 and 2011. The 4% (58 FTE) increase is the net effect of a 7% decrease in jobs between 2001 and 2006, and 11% increase between 2006 and 2011.

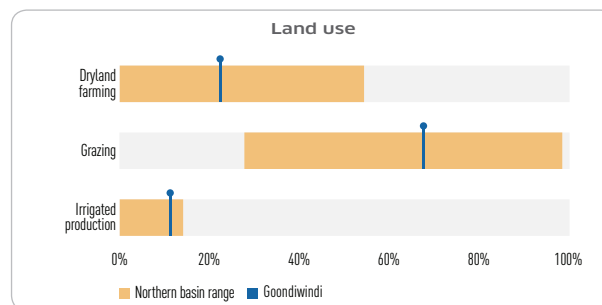
Between 2001 and 2011, the number of full time positions in government services increased by 24% (138 FTE).

LAND USE

Land in the Goondiwindi community is a mix of dryland farming, covering 22% of the land area (predominately wheat), 67% of the land area is used for grazing, and irrigated production accounts for a maximum of 11% of the land area. Cotton is the main crop grown when water is available. Other irrigated crops include pasture, vegetables, fruit and nuts, and cereals.

The irrigated area has varied between 5,800 and 60,500 hectares. The maximum area

equates to 6 hectares of irrigated area per person.



IRRIGATION WATER AVAILABILITY

Water in the Goondiwindi area is sourced from the Border Rivers catchment and partially from the Gwydir catchment. Main water sources are unregulated and regulated surface water. The availability of water from a variety of sources means irrigated production is less vulnerable to climatic conditions.

The *Border Rivers Intergovernmental Agreement* between New South Wales and Queensland was signed in 2009. This formalised the existing water sharing arrangements, as well as introducing an environmental flow of 25% of the available volume during unsupplemented access periods. This may have impacted on the reliability of take for some entitlement holders, but not the total volume able to be taken.

States have developed water management plans that align with this agreement. In Queensland, this is the *Border Rivers Resource Operations Plan* and in New South Wales, the *Border Rivers Regulated River Water Source Water Sharing Plan*. These plans provided a framework for permanent (entitlement) and temporary (allocation) trade within the respective jurisdictions. Interstate trading was introduced in 2010 to improve cross-border access to water.

Since 2009-10, around 9 GL of entitlement has been recovered from the Goondiwindi community through purchase and as savings arising from investment in infrastructure by the Australian Government. Most of this water purchase occurred in 2009-10.

Water savings are being recovered through infrastructure investment programs, such as the NSW State Priority Project – Irrigated Farm Modernisation and the Queensland State Priority Project – On-Farm Water Use Efficiency. Farmers have been assumed to retain half of the water savings derived from the infrastructure investment by the Australian Government.



Goondiwindi and surrounds

From the locals' point of view

Looking back

Farmers around Goondiwindi have been irrigating crops here since 1960. Before that, this district was known for its cattle and sheep.

Goondiwindi has grown on the back of the agricultural industry and has always had a strong service centre here to support it.

In the 1950s, there was marginal wheat grown here. But by the 1970s and 80s, with improved plant varieties and better farming practices, Goondiwindi had cemented itself as prime dryland farming country.

When cotton started to appear in this district, locals said that farmers were growing less than five bales to the hectare. Nowadays, due to advancements in technology and farming practice, growers in this district have almost tripled their yield – now producing 14 bales to the hectare.

Many locals here recall the boom of the 1980s and 90s, when the retail sector grew substantially, with many shops opening up in the main street. Most retail businesses in Goondiwindi are still locally owned and attract

customers from surrounding towns such as Inglewood, Texas, St George and even Moree.

However, locals say opportunities for job seekers have diminished over the last 15 years. Employers in the agricultural sectors say the water sharing plans in NSW and resource operations plans in Queensland have slowed the irrigation industry.

Opportunities for seasonal and casual workers have also diminished due to technical innovations in the cotton industry such as genetically modified and Roundup-ready plants and round bales. Some people have said that skilled workers, such as agronomists, have made the decision to leave Goondiwindi, based on water availability for agriculture for the coming season.

Managing change – a business owner's view

James Fowles has been the Operations Manager of the machinery dealership Kenway and Clark for the last 15 years.

When James started in 2001, Kenway and Clark employed 15 staff. That number has grown to 25. While this business began with the intent of servicing the needs of the agricultural industry, James said that drought and lack of water for the irrigation sector has forced him to diversify. He said 'We had to drought proof this business.'

Fortunately, for this business, it has 2,000 vehicles passing its front door everyday. Kenway and Clark has spent the last 5 years building its heavy vehicle automotive repairs business – at a cost of more than \$600,000.

'We came here to do ag, not trucks – but when you have to contend with the weather conditions and clients who are having to deal with water cuts, you just can't survive.'
James Fowles

John Klein has been in the hotel industry for more than 30 years in Goondiwindi. Currently, the owner of the iconic Victoria Hotel, he says he is constantly reinventing his business and how it operates.

Since taking over the hotel 9 years ago, John's staff numbers have increased from 2 to 25. Tourism is now a significant market for John – with more than 2,000 visitors paying to tour his hotel each year.

He has also expanded the bottle shop and now supplies to hotels and venues in a 200 kilometre radius of Goondiwindi.

However, John does say despite all efforts to grow the business, the unpredictability of agriculture in the town makes running a local business difficult. He reported that his business margins have dropped by 10% over the last 10 years.

'A good cotton crop injects money into the town that can keep it going for 3 to 4 years.'

John Klein

According to this hotelier, the establishment of Coles in Goondiwindi has had a negative impact on many small operators in town. He says competing with businesses that run on high turnover and low margins is tough in a country town.

WMG in Goondiwindi is a relatively new business, after opening its doors just five years ago. Manager Troy Hunt says WMG supplies agronomy services and farm inputs to local farmers – such as chemicals, fencing and stock feeds.

Troy says it's difficult to manage a business and budget for future years and supply product to growers, when you are dealing with the unpredictability of water allocations.

Troy said that the chemical companies, he buys from, order their products from overseas based on previous sales history. He is concerned that when crop areas increase, the inputs farmers will need may be hard to get.

'If we had a few more consistent years of water, we could increase our turnover by 50% and we could put on more staff. But it is a real juggling act if it's a short lived thing for one season.'

Troy Hunt

What is happening now?

Goondiwindi is very reliant on the annual wheat crop. However, when water is available, cotton brings a solid injection into the town. Troy Hunt (WMG) says without a cotton crop, Goondiwindi sheds a lot of jobs.

Locals describe Goondiwindi as a very prosperous town. Many farming families have large scale operations with significant turnover. Corporate farming is on the increase.

Different local families have contributed financially to local town projects over the years. People here say the sense of pride in Goondiwindi comes from an internal attitude of 'people wanting to have a go'.

When it comes to dealing with government legislation, some farmers around Goondiwindi say they have twice the battle than most. The NSW/QLD state border follows the Macintyre River, with different water entitlements managed according to the respective but quite different water resource plans in each state.

One grower said that he has an irrigation property on both sides of river. He said that if he had the same water allocation in NSW as he had in Queensland, his turnover would increase by \$1.5 million.

While agriculture is pivotal here, there seems to be an underlying concern that the lack of another solid industry could be a problem

for Goondiwindi. Many people mentioned the perceived success of surrounding towns like Inverell where the abattoir, Bindaree Beef, employees hundreds of locals.

While many rural towns are reporting a downturn in student numbers, Goondiwindi has a unique situation where a new school has opened its doors. In 2015, Border Rivers Christian College began with a starting class of 19. It now has 48 students enrolled.

Many farming parents in this district opt to send their children to boarding schools when they reach secondary school age. There are also reports of bigger farm operators financially assisting staff to send their children away.

Locals in Goondiwindi feel their health services in the town are very good. Residents of surrounding towns such as Inverell and Moree also travel to Goondiwindi for dental needs.

Older residents have said that they have decided to retire here because of the quality of health services. In 2008–2009, locals say there was an influx of retirees selling their properties and moving to town.

There are also reports of farmers from surrounding villages such as Talwood, Croppa Creek and North Star moving to Goondiwindi to retire. A number of local businesses have also reported an increase in the number of grey nomads spending in town, as they stop

in for essential supplies on their way through from Melbourne to Brisbane or vice versa.

People looking to rent homes in Goondiwindi are having an issue of late, with homes very hard to secure.

Local farmers say many corporate farm operations are bulldozing homes on rural properties so they no longer have to maintain or insure them. These houses would have previously been rented or provided to farm hands working on the properties. Many farm workers in the Goondiwindi district have moved to town, putting pressure on accommodation available.

Sam Coulton has been farming around Goondiwindi for more than 40 years. He is also the founder and owner of Goondiwindi Cotton – a local clothing manufacturer and retailer. Sam and his two brothers are significant employers in the town, with more than 75 people on their books.

While he has always been optimistic about the future of Goondiwindi – like many in town – he is now very cautious about future investments in irrigated agriculture.

'We should be rebuilding some of our pumps, which would put about \$500,000 into Goondiwindi. But we are going to hold off until we see how much water we get.'

Sam Coulton

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