

ST GEORGE

UNDERSTANDING COMMUNITY CONDITIONS



Northern
Basin
Review



● St George and surrounds, What the research tells us

- Population
- Education
- Employment
- Land use
- Water availability

● St George and surrounds, From the locals' point of view

- Looking back
- Managing change
- What is happening

St George is a rural service centre in south-west Queensland. The trend is that the population is decreasing. However, the rates of change for the population (down 7% in total between 2001–11) and employment (down 19%) are influenced by climate, mechanisation, technology improvements and external decisions to close down local businesses.

For both population and employment, between 2001–06, decreases were much greater than the increases after 2006. The drought of 2014 and 2015 combined with the slow down in local economic activity after the flood recovery works finished in mid-2014 have placed considerable pressure on the St George economy.

While the general social and economic conditions remain quite sound, they could be adversely affected by the timing and scale of water recovery in the St George and Dirranbandi–Hebel communities. More recent economic conditions associated with drought are expected to exacerbate the influence of water recovery on the local community.

NORTHERN BASIN





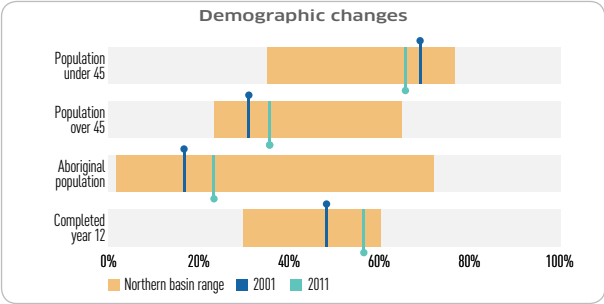
St George and surrounds

What the research tells us

POPULATION

	2001	2006	2011
Total area population	3,238	2,722	3,009
Total town population	2,778	2,411	2,647

While the long-term underlying trend for the St George community population is a decline (of 7% or 229 people between 2001 and 2011), particular elements require closer consideration. In the town, the population fell by 13% (367 people) between 2001 and 2006 and increased by 8% (236 people) between 2006 and 2011. This variability is consistent with there being a significant transient component of the town population. Greater proportional changes occurred in the farming part of the community. Between 2001 and 2006, the farming population in the community fell by around a third (150



people) and increased by around 11% (50 people) between 2006 and 2011. In 2011, 23% of the town’s population identified as Aboriginal.

In 2001, 31% of the town population was 45 years or older. This increased to 35% by 2011. The change in population includes an 8% increase in the number of people aged 45 years or over and a 10% decrease in the number of people under 45. Most of this change occurred between 2006 and 2011.

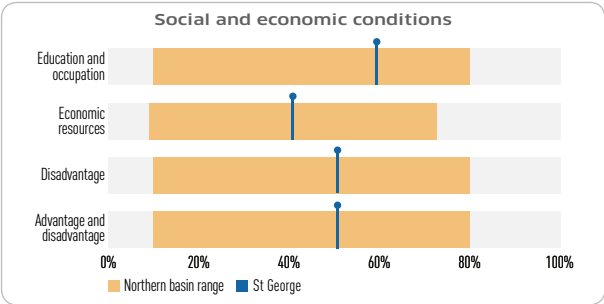
EDUCATION

In 2011, 56% of people in the town (aged over 15) had completed year 12 and 26% had completed some post-school qualifications. This is an increase from 23% in 2001.

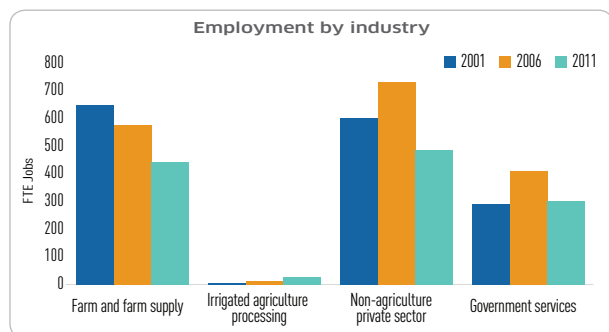
In 2011, St George town had index scores of 6 for education and occupation, 5 for disadvantage and advantage, 5 for economic resources. For 2006, St George town had index scores of 6 for education and

occupation, advantage and disadvantage, and for economic resources, and 5 for disadvantage.

General social and economic condition



EMPLOYMENT



In 2011, there were 1,261 full time equivalent (FTE) jobs in the St George community (excluding seasonal workers). This represents a 19% (291 FTE) decrease in employment for the St George community since 2001. Most of the change in total

employment was the 22% fall in employment between 2001 and 2006, followed by a 3% increase in employment between 2006 and 2011. Unemployment in the town of St George was 6% in 2011.

Employment decreased by 34% (223 FTE) in the agriculture and agriculture supply sector and 18% (108 FTE) in the non-agriculture private sector between 2001 and 2006, before stabilising between 2006 and 2011. Employment in the government services sector was constant at around 290 FTE between 2001 and 2011, noting a decrease in the sector between 2001 and 2006, and an increase in FTE between 2006 and 2011.

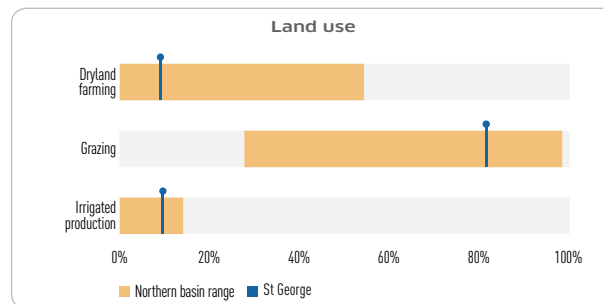
LAND USE

Land use in the St George community is predominantly grazing (82% of the land area), with 9% of the land used for dryland farming and up to 9% of the land area developed for irrigation.

The irrigated area has varied between 3,300 and 29,300 hectares. The maximum area developed for irrigation equates to 10 hectares per person.

The main irrigated agricultural activities are cotton, pasture, horticulture production

(onions, table grapes etc.), and a variety of other summer crops.



IRRIGATION WATER AVAILABILITY

Water in the St George area is sourced from the Condamine-Balonne catchment. Main water sources are regulated surface water, water harvesting and overland flows or floodplain harvesting. The *Condamine and Balonne Water Resource Plan* finalised in 2004 places a limit on total diversions. At that time, flow event management rules were introduced, reducing the rate of extraction of water from environmental flow events.

As part of the *Resource Operations Plan 2008*, most licences were converted to tradeable water allocations, which have greater security and can be traded separate to land. To ensure that the overall water use did not increase, there was a small reduction in the rate of all allocations to allow for a small number of inactive ('sleeper') licences to be developed.

Total entitlements held by the St George community prior to Australian Government water recover was 216 GL. Since 2011-12, around 16 GL has been recovered from the St George area through purchase by the Australian Government. Most of this water was purchased in 2012-13. Water savings arising from infrastructure investment, such as the Queensland Healthy Headwaters Program, were around 4 GL. After taking into account the water savings shared with farmers from the infrastructure program, the net effect of the water recovery is a 7% reduction in the water available for irrigation.





St George and surrounds

From the locals' point of view

Looking back

Agricultural production in the St George district is diverse and is the most significant industry in this town.

While sheep numbers have declined in recent years, cotton, cattle, grain and horticulture are grown successfully in this part of south-east Queensland.

Government approval for the St George Irrigation Project was granted in 1953. This saw the first irrigation farms developed in 1956–57.

In 1967, the scheme was extended and the Beardmore dam was built 17 kilometres north-east of St George.

While cotton has been grown in this district since the 1950s, local businessman and owner of Jones Air, Scott Jones, says the development of the irrigation industry didn't take off until the 80s and 90s – and when it did, it was a very lucrative industry to be involved in.

In contrast, Scott said that the introduction of Bolgard cotton had a significant impact on his

turnover – but it has been drought and water availability that has the biggest effect.

Bollgard cotton (or BT cotton) is a genetically modified crop that kills the Helicoverpa caterpillar when it eats the plant. This modification dramatically reduced the number of sprays a cotton grower had to carry out on their crop to control pests – from around 10 to 12 a season, to just 2.

In this region, rainfall is highly variable. Officially, the annual average rainfall is 516 millimetres, with the wetter months normally during summer.

St George residents have experienced extreme droughts over the last 15 years, and 3 major flood events hit the town in 2010, 2011 and 2012.

Following the 2012 flood, locals here say government flood recovery projects gave this town the economic boost it needed, with hundreds of workers and contractors coming to town. The last of the flood recovery projects was finalised on 30 June 2014.

Managing change – a business owner's view

Jo Kellock has lived in St George for 15 years and runs the Raine and Horne franchise in town.

Jo says sales are very slow in the housing market. In the 5 months to May this year, only 10 homes have been sold in St George. Normally more than 20 homes would have sold in that time.

'Half of those places sold for about the same as they were purchased for, or a fraction more – maybe \$10,000 more. But the other half sold for less. Vendors are reducing their prices.' Jo Kellock

Jo says the last time she saw the housing market this flat was in 2006, when St George was suffering from an extended drought.

'Flood restoration work has stopped, mining has wound back and we are still in the middle of a drought. We might have had good rain in the last six months – but one good season isn't going to fix it.' Jo Kellock

Graham Nosse has owned Betta Electrical in St George since the mid 1990s. In December last year, he said that he 'nearly went out the back door'.

Sales figures were so low in 2015 that Graham stopped paying a wage to himself and his wife, in order to keep the business open. It has only been the last 2 months that he has started to take a small draw from the business.

Over the last few months, sales figures have climbed slightly, with dishwashers and washing machines the top selling items.

Like many people in St George, Graham says the town needs to attract another industry to bring jobs back to the town. He says the decline in the number of roo-shooters in town, and other seasonal workers, are having a big impact.

'We don't get cotton chippers anymore, we don't get shearers, and the backpackers aren't here like they used to be. We need to put people back into this town.' Graham Nosse

Businessman Scott Jones believes the water buyback process to date has cost his business about \$300,000 annually. He estimates this equates to about 10% of his business.

Since 2011, his overall turnover has gone from \$8 million to \$1.5 million this year – and he has reduced staff numbers from 20 to 6.

Scott says the variability in income for agricultural contractors makes it difficult to manage in an environment like St George, but says it all comes down to debt levels.

'If you don't have your debt levels under control – when the income flow stops, it can really, really hurt.' Scott Jones

What is happening now?

Family farm operators in the district are loyal to the local business community in St George. Some split their farm expenditure across St George and neighboring town Dirranbandi – which is 100 kilometres away.

Locals say the shopping here is reasonable; however many travel to Toowoomba for the purchase of larger household items.

The St George medical centre has 4 regular doctors and also attracts visiting specialists.

Doug Watson, Principal St George High School, says while student numbers do fluctuate slightly, his school population has remained stable over the last few years with around 200 students enrolled.

At St Patrick's Catholic School, we were told that numbers have dropped from 250 students in 2010 to around 195. Locals say the drought had a major effect on the student population at that time, with families leaving town looking for work.

St George State School caters for students from prep to year 6. We were told that numbers here have been very stable over the last few years, with the student population sitting at around the 220 mark.

Across town, Neal O'Brien has owned the Toyota dealership in St George for nearly 6

years and says November last year was the peak of the drought here in St George – and the town was hurting.

Since then, the St George district has had decent falls of rain and most of his agricultural clients are optimistic about the season ahead.

Neal says his business relies heavily on the agricultural sector – and to survive here, you need to understand it.

‘When we are in drought, we do it tough. In drought we just make ends meet. When we are in good times, we make a little more money.’

Neal O’Brien

Across town John Travis runs the local machinery dealership, Vanderfields. John is also the President of the Chamber of Commerce.

While he says St George has been through a very tough time and downturn in the economy is evident, the Chamber members are looking forward and trying to find solutions to help St George get back on track.

‘We try not to get caught up in what we might not have. The government is not going to come and save the day. We think the communities that will succeed are the ones that think outside the box.’

John Travis

John said the Chamber of Commerce is working on rebranding ideas for St George to give the town an identity and ultimately attract people to the area.

‘Our cotton industry has become highly efficient in terms of the labour it needs, and we have to attract industry that puts the jobs back in the town.’

‘It’s great to have productive and efficient farmers, but we need people in our town.’

John Travis

There is hope in St George that the meatworks that was closed in 2009, may be reopened. Many people have said that this would give the town a much needed boost.

However, there is a high level of uncertainty about what will happen to St George if more water is taken out of this town through the water recovery process.

Many people in the business community have said that it is hard to move forward with plans for St George, when the future is so uncertain.

Contractors in the agricultural community are concerned about which of their customers may be the next to sell back their water licence to the government, and what impact that will have on their business.

Published by the Murray-Darling Basin Authority (November 2016)

GPO Box 1801 Canberra ACT 2601

Phone: (02) 6279 0100

Web: mdba.gov.au

MDBA publication no: 30/16

ISBN (print): 978-1-925221-98-5

ISBN (online): 978-1-925221-99-2

© Murray-Darling Basin Authority 2016



<https://creativecommons.org/licenses/by/4.0>



/md_basin_auth



/mdbauth



getinvolved.mdba.gov.au



engagement@mdba.gov.au