

WEE WAA

UNDERSTANDING COMMUNITY CONDITIONS



Northern
Basin
Review



● Wee Waa and surrounds, What the research tells us

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

● Wee Waa and surrounds, From the locals' point of view

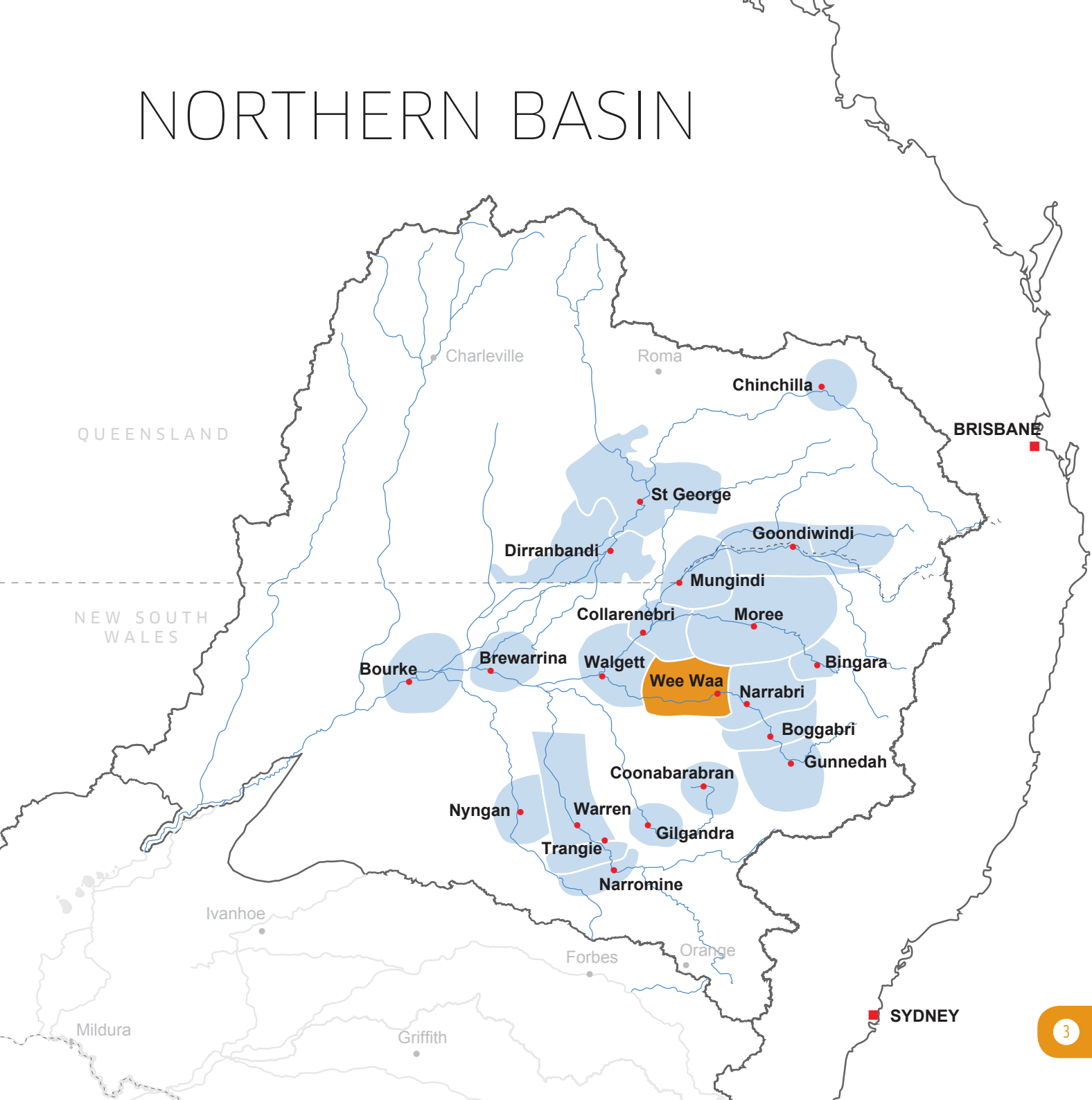
- Looking back
- Managing change
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Wee Waa is a rural community of around 3,000 people. While the farming area has a mix of land uses, Wee Waa farmers and the businesses and people supporting farming have an increasing focus on growing and ginning cotton.

As the community has become more specialised in growing cotton, the diversity of the local economy has been diminishing. When considered in the context of the challenging underlying social and economic conditions and trends, large changes in water availability would be expected to have visible effects on the community.

Water recovery so far has reduced the amount of water available for irrigation in the Wee Waa community by around 2%. Around 60% of that recovery has been derived from water saving associated with the Australian Government investment in new irrigation infrastructure.

NORTHERN BASIN



Wee Waa and surrounds

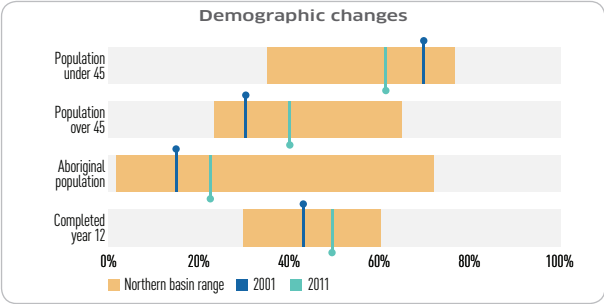
What the research tells us



POPULATION

	2001	2006	2011
Total area population	3,175	3,538	3,032
Total town population	1,819	1,691	1,656

Between 2001 and 2011, the Wee Waa community population fell by 142 people (4%). It is important to note that there was an estimated increase in the community population between 2001 and 2006, then a subsequent reduction between 2006 and 2011. During this time, the town population fell by 163 people (9%). Most of this change occurred between 2001 and 2006. While the changes for the town are important, the more significant changes



are associated with the farming community between 2006 and 2011. In 2011, 22% of Wee Waa’s town population identified as Aboriginal.

In 2001, 30% of the town population was 45 years or older. This increased to 39% by 2011. The change in population includes an 18% increase in the number of people aged 45 years or over and a 21% decrease in the number of people under 45.

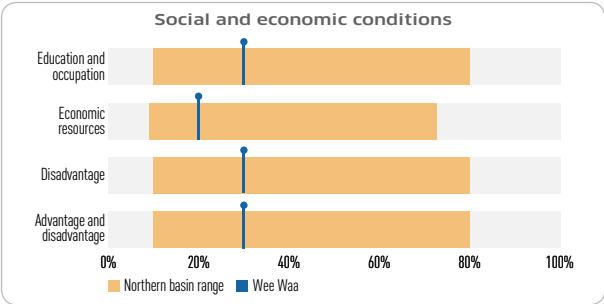
EDUCATION

In 2011, around 49% of people in the town (aged over 15) had completed year 12 and 25% had completed some post-school qualifications. This is an increase from 22% in 2001.

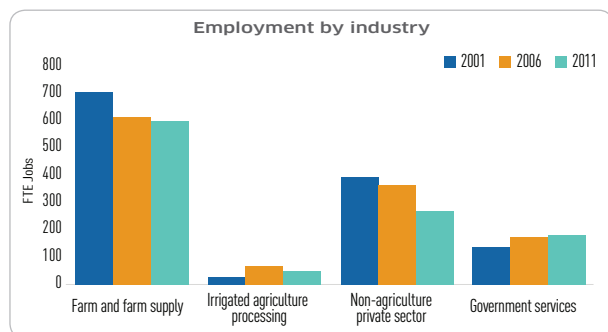
In 2011, the town population had index scores of 3 for education and occupation, 3 for disadvantage, 3 for advantage and disadvantage, and a score of 2 for economic resources. For 2006, the Wee Waa town index scores were 6 for education and occupation,

3 for disadvantage, 5 for advantage and disadvantage and 3 for economic resources.

General social and economic condition



EMPLOYMENT



In 2011, there were 1,097 full time equivalent (FTE) jobs in the Wee Waa community. This represents a 13% (162 FTE) decrease in employment in the Wee Waa community over the preceding decade. Most of this

decrease occurred between 2006 and 2011. Unemployment in the town of Wee Waa was 7% in 2011.

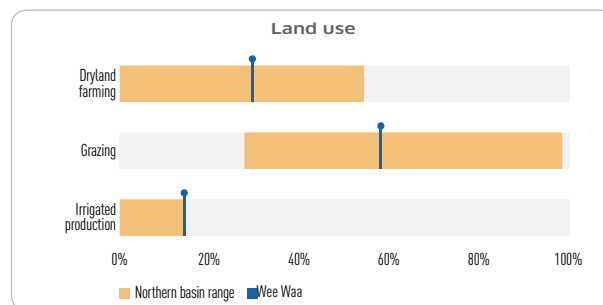
Employment in the agriculture and agriculture supply sector strongly dominates the Wee Waa economy. In 2011, this sector represented 55% of all jobs. Between 2001 and 2011, employment in this sector fell by 15% (105 FTE), mostly between 2001 and 2006.

During this period, employment in the non-agriculture private sector fell by 32% (124 FTE, mostly between 2006 and 2011) and employment in government services increased by 31% (43 FTE, mostly between 2001 and 2006).

LAND USE

Land use in the Wee Waa community is predominantly dryland production based, with 29% of the community area used for dryland farming and 57% of the area used for grazing. Irrigated production accounts for a maximum of 14% of the land use with cotton the main crop in production when water is available. The Wee Waa community has the largest proportion of the land area developed for irrigation of all the studied communities.

The irrigated area has varied between 7,900 and 38,800 hectares. The maximum area developed for irrigation equates to 13 hectares per person.



IRRIGATION WATER AVAILABILITY

Water in the Wee Waa community is sourced from the Namoi catchment. The main water sources are regulated surface water, unregulated surface water and groundwater. The availability of groundwater allows irrigators to continue producing some irrigated crops when surface water allocations are zero.

In 2004, the *Water Sharing Plan for the Upper Namoi and Lower Namoi Regulated River Sources* came into effect, reducing the volume of supplementary water that could be extracted. The groundwater recovery process in the Lower Namoi has reduced the extraction limit from 105 GL in 2006 to 86 GL by 2017.

Since 2008-09, around 11.5 GL out of 158 GL has been recovered from the Wee Waa community by the Australian Government through purchase and infrastructure investment. Approximately 60% of that recovery is through infrastructure investment with around 30% of the water savings being retained by the irrigators. Net effect is a 2% reduction in the water available for surface water irrigation.





Wee Waa and surrounds

From the locals' point of view

Looking back

Wee Waa was the first town built on the Namoi River. Although Wee Waa now sustains a diverse agricultural industry, the town initially grew out of the need for a justice system.

In the mid 1800s, Wee Waa serviced the region for all court and judicial matters. As Wee Waa grew, it then became a centre for rural activity. The main activity in the area was cattle and sheep, but as land was cleared and developed, cereal crops emerged.

In the early 1960s, two American families, the Hadleys and the Kahls, moved to Wee Waa,

bringing with them the expertise and technology of the American cotton industry. The first commercial crop of cotton was planted at Wee Waa in 1961, using water from Keepit Dam.

Today, Wee Waa is widely known as cotton country; however, around 30% of farming land is used for dryland cropping and over 50% for grazing enterprises. While there are several crops grown in the Wee Waa district, including wheat, chick peas and fava beans, the town proclaims itself as the cotton capital of Australia.

Cotton Seed Distributors sells seeds to growers from around the world. It is the largest employer in the Wee Waa community.

Wee Waa is also the home of Namoi Cotton's head office (one of the largest grower-owned cotton organisations in the country). Namoi Cotton employs more than 44 permanent staff within Wee Waa, and an additional 7 at surrounding sites.

Locals told us Namoi Cotton's decision in 2003 to relocate its corporate office to Toowoomba was a significant blow for the town, with 21 jobs relocated or made redundant.

In 2008, however, Namoi Cotton invested \$5 million in a new commodity packing facility based at Wee Waa, which created 4 new jobs.

Managing change – from a local business perspective

Agies Rural Retail is a local store in Wee Waa that is open 7 days a week. It prides itself on having 17,000 line items in stock, from hydraulic hoses to dog biscuits.

Manager of Agies Rural, John Girven, says the health of this business is directly affected by what is going on in the paddocks around Wee Waa. He says if business is good for irrigators around Wee Waa, Agies is going well. Irrigators

around Wee Waa account for nearly 70% of Agies business.

'All you do is tread water for every other thing – other than cotton.' John Girven

John told us that the drought in 2014 and 2015 saw tough years in Wee Waa, with turnover at Agies down by 50%. However, John said his business did very well when cotton growers had full water allocation years in 2011–12.

While water does drive this business, a new market has emerged. John Girven told us that the government's water efficiency funding for irrigators is bringing new business to Agies, with contractors requiring spare parts from his store.

The introduction of the round bale pickers has also had an effect on the bottom line at Agies. John said before round balers were introduced, picking time (of cotton) used to bring in their 'cream'. He said there was a large demand for a variety of spare parts for all the machinery required during this time of year.

However, most cotton growers around Wee Waa are now using round bale pickers.

While John said most growers source genuine parts for these round bale pickers, he is trying to source generic spare parts or components to reduce the price for growers and create a

new market for Agies. John told us the cotton industry is the only reason they have made a profit in the last few years.

'The bigger picture is that at the end of the day, without cotton, a place like Wee Waa would be buggered.' John Girven

What is happening now?

Wee Waa has a number of businesses in the main street, including IGA, Bottlemart, a newsagency, bakery, coffee shops, the ANZ bank, National Australia Bank, and Australia Post.

It also has a significant industrial area, where many of the town's agricultural service businesses are located.

The owner of Wee Waa's web development business 'Kate's on Web', and Rural Industries Research and Development Corporation Rural Woman of the Year (2006), Kate Schwager, has lived in Wee Waa for 25 years and says she has seen the good times and the bad.

Kate said there is only one vacant shop in the main street of Wee Waa at the moment. She also reports that a new business has just opened its doors – The Vibe Coffee Shop – and it is doing very well. Kate told us that the support from locals has been overwhelming and this is reflective of how Wee Waa operates.

Over the years, this community has raised funds to help build several service facilities needed in the town, such as the medical centre. During the 2002 drought, locals here raised more than \$40,000 to finish building the new facility. The community has also raised funds to build the local sporting complex and youth centre.

'It's a community that keeps coming back – but if we do lose a lot of water, I can't see how we will survive. We will end up like Collarenebri. Families will move away and they won't come back.'

'Six weeks ago it was doom and gloom here, and then it rains. It goes up and down like a yo-yo, and it's all to do with water.' Kate Schwager

The Wee Waa Education Trust was established by locals in 1989. This venture encouraged community contributions to local schools and preschools. Over the years, the Trust has provided more than \$1.5 million to education facilities in Wee Waa.

We were told that it wasn't uncommon for local cotton growers to donate a module of cotton at harvest time, valued at around \$10,000. However, this Trust has been finalised due to a downturn in economic activity in the agricultural sector. Local schools have reported a steady decline in the number of school students in recent years.

A representative of the local Catholic school in Wee Waa said they felt that the impact of the Basin Plan could be attributed to the loss of 50 students and 10 teachers in recent years.

Ann Maree Galagher is the President of the Wee Waa Chamber of Commerce and the manager of the local ANZ bank in town. She says the business community is very uncertain about its future in relation to the Basin Plan. She says the community is heavily reliant on the irrigation industry and taking more water would be catastrophic.

'The cutbacks that they are talking about will put us in a permanent drought position.'

'People are being very optimistic on the back of rain in the last few weeks. But that can all change in a heartbeat. It's not money in the bank.'

Ann Maree Galagher

Ann Maree told us that Wee Waa is a very resilient community and it fights hard for what it needs. But even she says she would consider her options for alternative employment if water allocations under the Basin Plan were reduced further.

Namoi Cotton Chief Executive Officer Jeremy Callachor said they are anxious about any changes to water availability due to the

impact it would have on their business that supports 150 jobs in rural towns.

'Water is an extremely important asset to a town like Wee Waa. We would like to ensure that the current access to water is maintained.'

'We have a high level of concern about the outcome of the Basin Plan, as Namoi Cotton has hundreds of millions of dollars invested in assets that are reliant on irrigated agriculture.' *Jeremy Callachor*

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