



## Deniliquin Business Chamber

30 April 2018

To - Carolyn Lee

**Director**

**Murray-Darling Basin Royal Commission**

From - Justine Keech

**President**

**Deniliquin Business Chamber**

The Deniliquin Business Chamber represents 175 businesses within a 75km radius of the town centre. Our members are from the service, retail, government, non-government, engineering and food processing industries.

The introduction of the MDBP and the subsequent stripping of water from the southern part of the basin has had a devastating effect on our members and the economic prosperity of our town.

Draining the economic viability of farming properties has led to a huge downturn in spending within our community. This has manifested in the closure and consolidation of a number of businesses. Where once we had four motor dealerships we now have two. Our local newsagency now sells toys, musical instruments and office equipment – when just five years ago we had a toy shop, a music shop and an office equipment shop. This list goes on ...

The MDBP has led to a huge decline in employment within our community (as noted in the MDB Economic Impact Study and submission from the Edward River Council). Census figures show a decline and plateau of growth within our community over the past 10 years. This has then contributed to a decline in public service sector and non agriculture dependent employment. According to our Principal when five families leave our community our High School employs one less teacher.

The impact of the loss of white collar jobs that are non agriculture dependent impacts small communities at a much higher rate than larger regional centres and drives us to become more reliant on agriculture and consequently more vulnerable to changes in the MDBP. It is a vicious cycle.

Agriculture has been cited as a growth industry for the future. We cannot deny that strong commodity prices and good conditions have led to growth in Deniliquin. However, when we look to towns on the Murrumbidgee system and beyond that have not been so severely impacted by the MDBP we see huge corporate investment and double digit growth. The lack of water security in the Southern Basin is deterring corporate investors who can see more viable business further north. It is difficult to calculate what we are losing the opportunity to capitalise on at the moment but potentially it is hundreds of millions of dollars.

With less businesses operating, less income and falling population, Deniliquin has a diminishing critical mass. Irrigation was supposed to make our district 'drought proof' and provide certainty. Less water makes us vulnerable to seasonal changes and less attractive to investors – agricultural or commercial.

As a community we are making every attempt to diversify, with the support of local government. Local businesses are encouraged to build on opportunities but this will not happen overnight. Our district has been the most severely impacted by the MDBP, Murray Irrigation has implemented one of the most innovative and efficient irrigation systems in Australia and therefore we urge the MDBP to exempt the Southern Region from any further reductions. We have done enough.