

29 March 2010

Mr Damian Drum MLC
Committee Chair
Parliament of Victoria Rural and Regional Committee
Parliament House
MELBOURNE VIC 3002

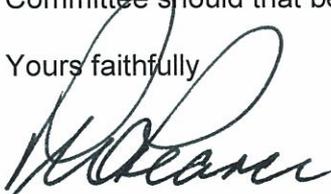
Dear Sir

**PARLIAMENTARY INQUIRY INTO THE EXTENT AND NATURE OF DISADVANTAGE
AND INEQUITY IN RURAL AND REGIONAL VICTORIA**

Please find attached submission for the Committees attention.

The Greater Shepparton City Council welcomes the opportunity to make a submission on this important issue and would welcome the opportunity to host a hearing by the Committee should that be appropriate.

Yours faithfully



Phil Pearce
CHIEF EXECUTIVE OFFICER

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C10/2902 (40/308/0001)



Parliament of Victoria
Rural & Regional Committee

Inquiry into the Extent and Nature of Disadvantage and Inequity in Rural and Regional Victoria

Submission from
Greater Shepparton City Council
March 2010



Background

The Parliament of Victoria has required the Rural and Regional Committee to inquire into, consider and report on the extent and nature of disadvantage and inequity in rural and regional Victoria

In particular the committee is to:

- (a) examine current evidence of disadvantage in rural and regional Victoria with a view to identifying the social groups most affected by disadvantage;
- (b) identify any gaps and weaknesses in methods for measuring, recording and capturing information on disadvantage and inequity in rural and regional Victoria ;
- (c) identify the key factors of disadvantage and inequity in rural and regional Victoria , such as access to education, health care, employment opportunities, housing affordability and transport;
- (d) identify the geographical locations in rural and regional Victoria where disadvantage is most severe with a view to prioritising these areas for future action by Government;
- (e) identify rural and regional areas of significant disadvantage and inequity that may be masked by the comparative prosperity of surrounding areas;
- (f) investigate the impact of social and economic trends on the future of rural and regional Victoria in the context of disadvantage;
- (g) examine current Government responses to rural and regional disadvantage;
- (h) identify priorities for action by Government to tackle key rural and regional disadvantage issues;
- (i) examine measures taken at a local level to combat problems of hardship and disadvantage; and
- (j) investigate approaches in other jurisdictions to combat rural and regional disadvantage.

The Greater Shepparton City Council (the Council) strongly supports the Parliament of Victoria in initiating this Inquiry and extends an open invitation to the Committee to visit Shepparton, meet with the Council and receive further information pertinent to the Terms of Reference.

Introduction

Shepparton is one of Victoria's leading regional centres. It forms a key element in the ring of regional centres that are located around Melbourne between 75 and 200 kilometres from the State capital.

Shepparton holds the enviable title of being the capital of Australia's "Food Bowl" which provides an exceptionally strong basis for the future development of the city. Shepparton and the Goulburn Valley region contain Australia's largest concentration of stone fruit and dairying production and processing.

Shepparton is continuing to expand its role as a major Australian and Victorian regional centre however inequity and disadvantage are present on a number of levels:

- within the municipality, there is great divergence between the city of Shepparton and surrounding rural areas and townships
- more broadly, unfavourable comparisons can be drawn between the opportunities, experiences and access to services for Greater Shepparton residents as opposed to those of metropolitan residents.

While benefiting from a thriving economy in recent years, Greater Shepparton also faces a number of key challenges – ongoing drought and the impact of climate change / catastrophic climate events; capacity to compete with imports in the food manufacturing sector; less competitive export opportunities and critical skill shortages among them. The ripples of the Global Financial Crisis will serve to compound these challenges impacting both the regional centre of Shepparton and its surrounding rural communities.

An Overview of Greater Shepparton

To serve as context for this submission, the Greater Shepparton City Council presents the following brief overview of Greater Shepparton:

Greater Shepparton is one of the State's strongest growing regional centres. The Council attributes this growth to the strength of the regional economy, the comparable liveability of the region and the recognition of these factors by those who live here and those who continue to be attracted to relocate to Greater Shepparton.

Greater Shepparton contains a local population of 60,000 and services a regional catchment of 160,000 persons. Located just two hours from Melbourne, it offers a range of lifestyle options from contemporary urban living to charming rural communities.

Greater Shepparton is the hub of the Goulburn Valley, justly regarded as the Food Bowl of Australia. While the current drought is impacting on the region's dairying and horticultural industries, commercial development in the region continues to thrive and the manufacturing and retail sectors are relatively strong. Meanwhile, emerging 'non water' reliant industries such as tourism and equine racing breeding and training, are also contributing to the economy.

Shepparton has many attributes that will continue to contribute it to being a regional centre of the future. Specifically, Shepparton:

- Possesses a relatively strong economy - it is the centre of Australia's fruit growing and processing industry
- Has a booming investment in public and private infrastructure which is continuing to strengthen the economy
- Comprises more than a single urban area, with surrounding towns and rural areas which are conveniently linked to the main centre. This diversity provides considerable choice in housing, community setting and lifestyle - a level of choice not readily available to most Melbourne residents
- Is renowned for its diversity, culture and cohesiveness – Greater Shepparton has a large indigenous population, officially captured as 3.2% in ABS data but widely estimated at closer to 10%, and has one of the strongest and most diverse overseas born population of any regional centre in Australia. It has developed a strong social and cultural program with refugees and skilled migrants from a number of backgrounds.

All these factors have enlivened the community and made Greater Shepparton a highly liveable and vibrant place.

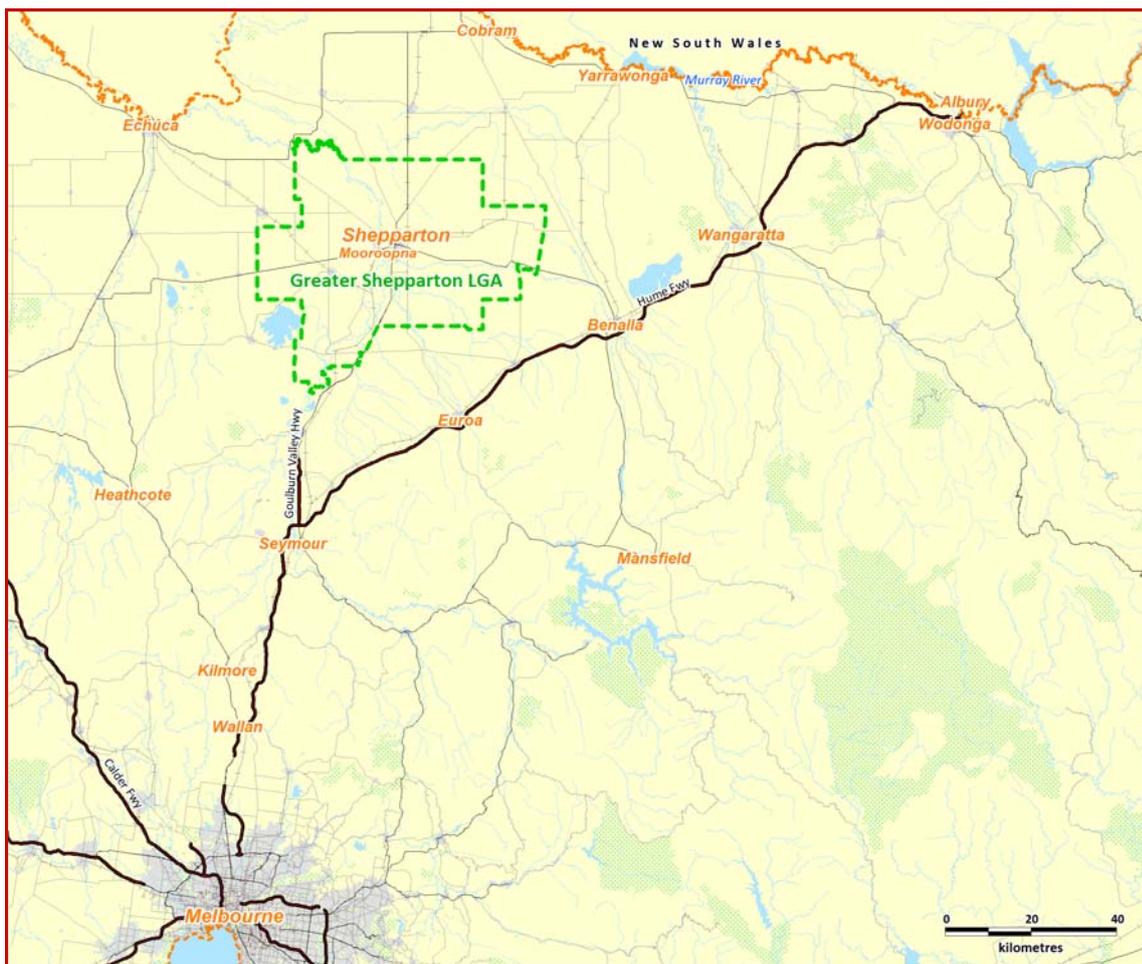
However while these factors can be readily identified as assets it should be noted that as with other regional and rural communities Greater Shepparton is exposed and vulnerable to change by virtue of lower levels of population, smaller and narrower economies and a limited range of specialist services and facilities. It is less able to absorb the impacts of structural economic adjustment for example, as compared to a metropolitan setting.

Greater Shepparton comprises the following urban areas and main townships:

- Shepparton
- Mooroopna
- Tatura
- Murchison
- Merrigum
- Toolamba
- Tallygaroopna
- Dookie
- Undera

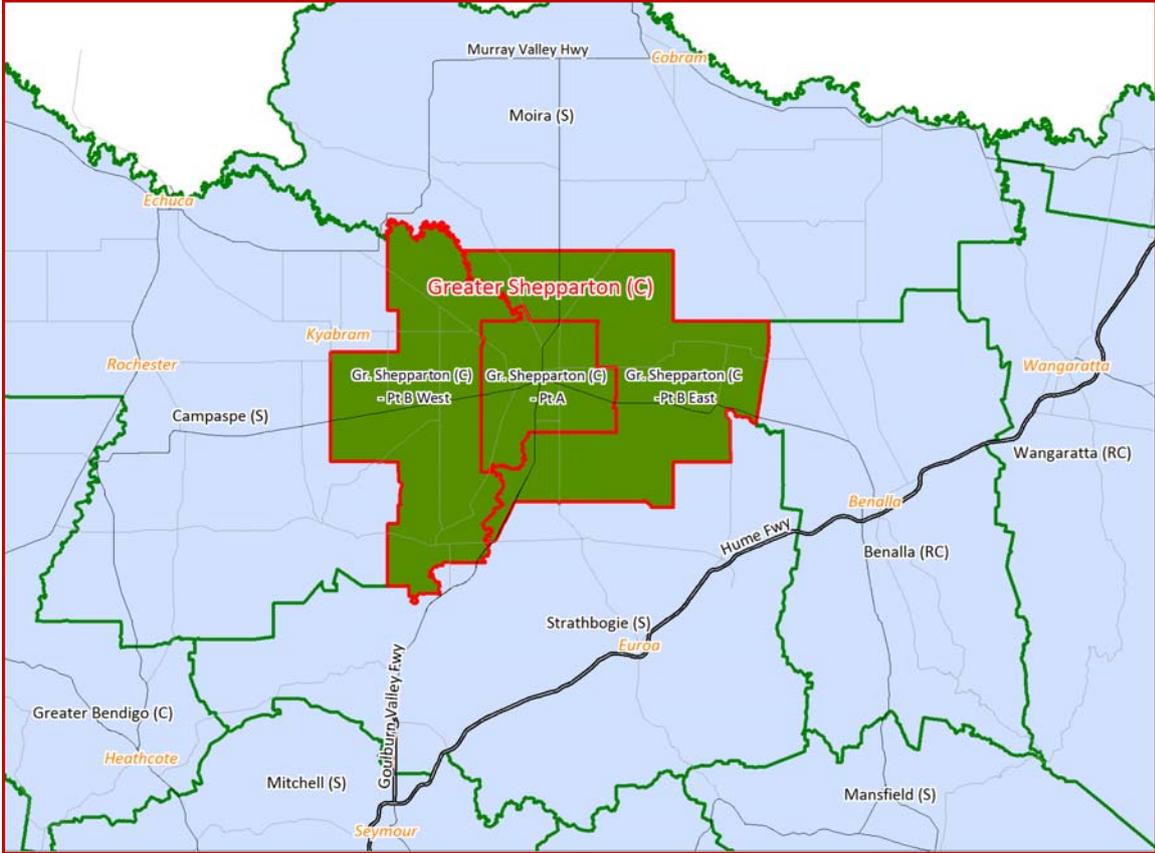
In addition to these localities, a number of small rural settlements in the municipality include Coomboona, Katandra West, Congupna, Orrvale and Nalinga.

Figure One: City of Greater Shepparton Regional Context



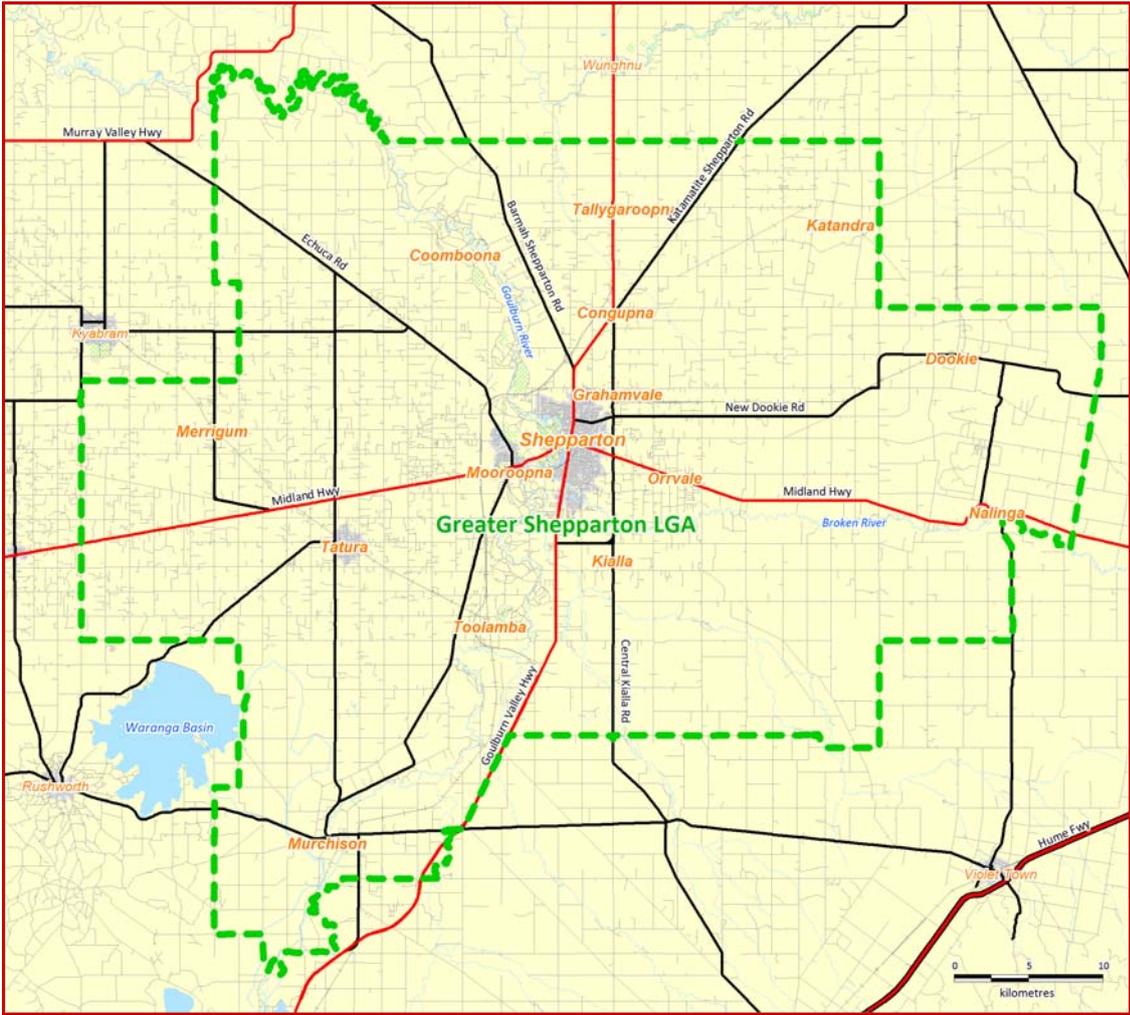
Source: produced by Essential Economics with MapInfo and Street Pro

Figure Two: Municipal Boundaries and Statistical Local Area Boundaries



Source: produced by Essential Economics with MapInfo and Street Pro

Figure Three: Locations of Townships in City of Greater Shepparton



Source: produced by Essential Economics with MapInfo and Street Pro

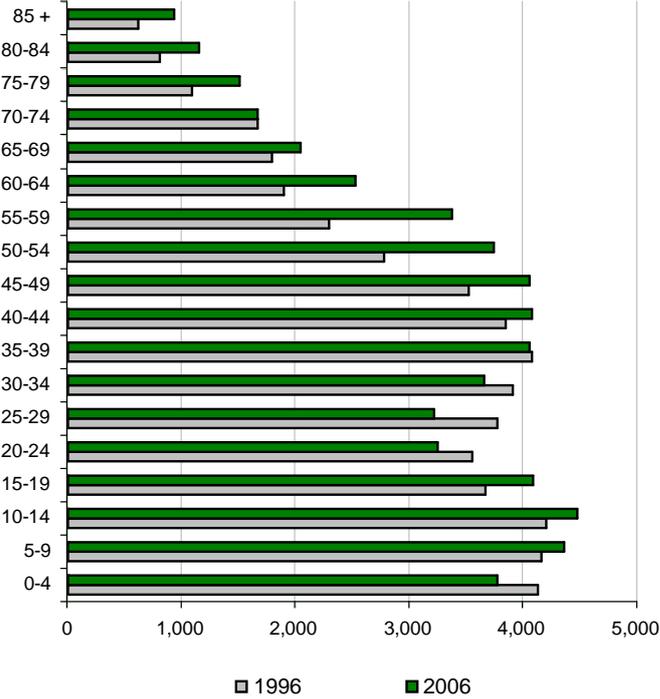
Table One: Estimated Resident Population, Urban Areas, Selected Townships & Rural Areas

Locality	No. Residents, 2007 (provisional estimates)
<u>Main Urban Areas</u>	
Shepparton	32,220
Mooroopna	7,550
<i>Sub-Total Shepparton-Mooroopna</i>	<i>39,770</i>
<u>Small Towns</u>	
Tatura	3,680
Murchison	780
Merrigum	470
Dookie	310
Tallygaroopna	300
<i>Sub-Total Small Towns</i>	<i>5,540</i>
<i>Sub-Total Rural Areas / Hamlets</i>	<i>14,660</i>
TOTAL	59,970

Source: ABS provisional estimates for 2007. Figures rounded.

Greater Shepparton has a growing population with an average growth rate of 1.2% per annum in the period 1996 – 2006. In terms of demographics:

Figure Four: Age Structure Greater Shepparton 1996-2006



Source: ABS Census dataset



Greater Shepparton has an ageing profile, in common with the Australian population in general. Over the decade to 2006 growth in the 44-64 year age group is evident indicating that people are shifting to Shepparton for employment, to raise families and in turn to look for retirement opportunities.

Greater Shepparton is proving to be attractive to the baby boom generation – the tree change phenomenon is a strong driver of population growth. The capacity for Greater Shepparton to attract and retain middle aged and older populations is evident, this in turn places considerable demands upon the city to provide and expand facilities and services to support this population and ensure high levels of liveability. Meanwhile, there is a loss of younger persons who are forced to seek education and training away from Shepparton.

One of the significant measures of the capacity of a region to sustain itself and grow is its ability to attract new residents. The following tables highlight

Population movement into Greater Shepparton has mostly been between Melbourne and Shepparton, interstate movements and local movements within the Goulburn Statistical Division. Table two sets out the population movement to Shepparton from Statistical Divisions around Victoria and from interstate.

Table Two: Population Movement to Shepparton 2001-2006

	Melbourne SD	Barwon SD	Western District SD	Central Highlands SD	Wimmera SD	Mallee SD	Loddon SD	Other Goulburn SD	Ovens-Murray SD	East Gippsland SD	Gippsland SD	Interstate
<u>Into Greater Shepparton</u>	1,657	140	78	123	83	199	301	1,658	210	47	134	1,728

Source: ABS Census dataset

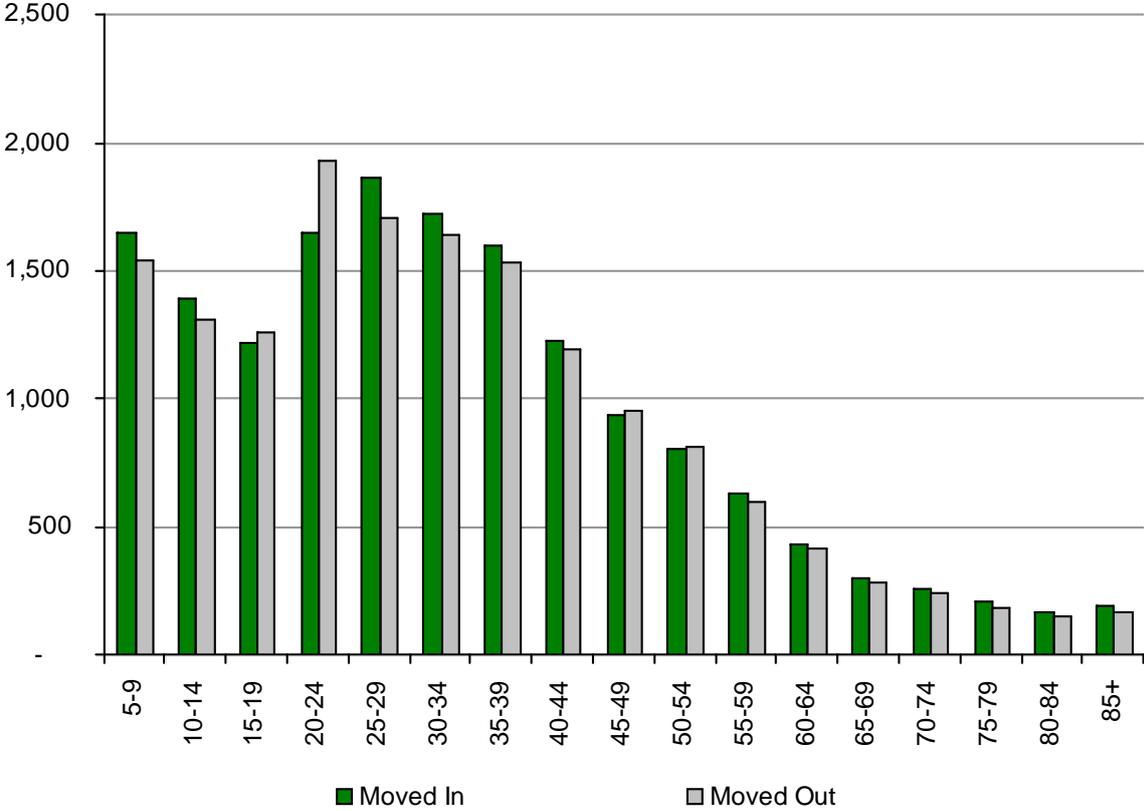
The profile of those moving in and out of Greater Shepparton differs, although unlike many regional areas, Greater Shepparton continues to experience inward movement of younger adults, even though these age groups are also most likely to leave.

Between 2001 and 2006 22% of all people moving into urban Shepparton (Part A) were aged between 20 and 30 years, while a similar proportion of those moving out were in this age group. In most smaller centres and rural areas outwards movement in this age group are more prominent. The net outward movements only exceeded inward movements in the 15-25 year age groups, and marginally in the 40-50 year age groups. (Please refer Figure Five overleaf).



Figure Five: Age Profile – Inward and Outward Population Movement (Gr. Shepparton

Part A): 2001-2006



Source: ABS Census dataset

The diversity in the Greater Shepparton population highlights the concept that the term liveability means different things to different people and therefore equally, disadvantage can be deemed as perception rather than actual on some fronts. For instance how an individual compares close access and proximity to clean air, rural settings and natural environments compared to the provision of extensive cultural and artistic events and programs is highly subjective. However there are certain ‘non negotiables’ such as access to education, health, affordable housing and transport which can be singled out as indicators of inequity and disadvantage and are evidenced in Greater Shepparton.



Response to Terms of Reference

Greater Shepparton's SEIFA score provides a telling foundation for this response – in 2006 it was ranked in Victoria's top 20 disadvantaged municipalities. Dissection of this data at a Census collection district level, records 81.25% of persons with a SEIFA score below the Australian mean of 1000.

Key features of Greater Shepparton community profile include:

- Indigenous population greater than the Victorian average

3.2% of the population in Greater Shepparton is of Aboriginal and/or Torres Strait Islander origin, compared with 0.6% of the Victorian population (ABS, 2006 Census. It is widely suspected that this number is a dramatic under-representation with unofficial estimates closer to 10%. Furthermore, the indigenous population in Victoria is also growing (10.1% increase between 2001-2006).

- Gambling is a concern.

In 2006/2007, Greater Shepparton had a higher net Electronic Gaming Machine (EGM) expenditure per person than the country Victoria average - \$458.68 per person compared to the country Victorian average of \$384. (Source: *Victorian Commission for Gambling Regulation*)

- Crime rates are higher than the Victorian rate.

In recent years Greater Shepparton consistently a higher rate of crimes against person, crime against property and other crime than the Victoria rate.

In 2008/2009 per head of 100,000 population, Greater Shepparton recorded 8,055.5 crimes versus Victorian figure of 7087.9.

- Population is concerned about their personal safety.

59.6% of Greater Shepparton residents felt safe or very safe when walking alone at night in their local area compared to 73.6% in the Hume region and 66.5% for Victoria.

- Rate of teenage pregnancy is more than twice the Victorian average.

In 2007, 5.4% of all confinements in Greater Shepparton were to mothers younger than 20 years of age, compared with the Victorian average of 2.6%.

- Significant numbers of disengaged school leavers.

In the Goulburn Valley, Greater Shepparton had the highest percentage of disengaged 15–19 year old school leavers (24.6%) and this rate is significantly higher than the Victoria rate (15.4%).

- Rate of diagnosed diabetes is high and has almost doubled in the last 5 years.

Greater Shepparton has the 28th highest prevalence of diabetes (all types combined) in Victoria (out of 79 local government areas) with 4.3% of the population having diabetes in 2006, and a 90% increase since 2001. This pattern is very similar to Moira. Furthermore,

across the Goulburn Valley, diabetes contributed the greatest number of avoidable hospital admissions in 2007/08.

The above Community Profile snapshot indicates a range of challenges and considerations; both potential and realised disadvantages; and inequities in life chances and community well being.

In more generic regional terms, the Victorian Government's *Rural Directions – For a stronger Healthier Victoria* policy document notes the following challenges also applicable to Greater Shepparton:

- an increasing rural and regional population aged 70 years or over placing additional pressure on health services
- a forecast by 2018-19 that this demographic will consume 49 percent of all day beds utilised by rural Victorians
- a higher proportion of people with disabilities in rural Victoria (209 per 1,000 population compared to 189 per 1,000 population)
- a decreased life expectancy associated with rural living largely due to cardiovascular disease, cancers, injuries caused by road and machinery, suicide and drowning. Further that this reduced life expectancy may be attributable to socioeconomic factors, health impacts of the long running drought, access to local services and timely access to life-saving treatment

To provide some localised context to this point, Shepparton's Disability Adjusted Life Year's Rate is higher than the state average indicating a poorer health status, meanwhile a Kessler Psychological Distress Scale sample in 2004-2005 found Greater Shepparton to have far greater numbers of very high psychological distress than both the regional and state rates.

In terms of access to services, data from the 2007 -2008 Annual Survey of Divisions indicates that the Goulburn Valley Division of General Practice had a full time GP to population ratio 1:1294; compared to 1 in 417 ratio in Melbourne CBD in 2006-2007.

Given Greater Shepparton's substantive Indigenous population, it is worth noting the following in relation to specific issues / areas of disadvantage.

The Interim Community Planning Council (formerly known as the Strategic Planning Policy Unit) has invested much energy at a local level to map and address disadvantage.

The "Closing the gap: Shepparton - A draft indicator set of Aboriginal well-being for Greater Shepparton 2009" report highlights the following Early Years comparative data between the Aboriginal and broader Greater Shepparton population:

Table Three: Greater Shepparton Indigenous Early Years

	Aboriginal	Total CoGS Population
Babies born below birthweight (2002-2005)	12%	8%
Maternal Child Health Visits (2006/2007)		
1-2 year olds	67%	90%
2-3 year olds	25%	60%
Playgroup Participation (2008)	5%	11%
Developmentally vulnerable in first year of school (2008)		
Physical Health and wellbeing domain	24%	8%
Social competence and wellbeing Domain	33%	11%
Emotional maturity domain	15%	10%
Language and cognitive skills domain	43%	20%
Communication skills and general knowledge domain	30%	12%

Source: Closing the gap: Shepparton - A draft indicator set of Aboriginal well-being for Greater Shepparton 2009 report

Unfortunately, these Early Years disadvantages set the scene for poorer educational outcomes through primary and secondary outcomes with Aboriginal children in Years 5 and 7 performing below standards for reading in the Hume region and fewer completing Year 12.

Comparative employment further highlights disadvantage with 20% of the Aboriginal population recorded as looking for work in 2006 compared to 6% of the broader population; of these figures 28% were Aboriginal youth compared to 11% youth in the broader population.

With the regard to the Inquiry's interest in data inadequacies it is worth noting the following extract from the aforementioned *Closing the Gap* report:

The Australian Bureau of Statistics (ABS) Census in 2006 reported 1664

Aboriginal residents living in Shepparton/Mooroopna. The community has concerns about the accuracy of census figures – primarily based on a larger number of medical records at the Rumbalara Aboriginal Cooperative (2200 records in Shepparton/Mooroopna, 1575 of which are active (i.e. have made 3 visits in past 2 years)). To examine this issue the community (through the interim Community Planning Council) undertook its own census with the University of Melbourne’s School of Rural Health⁶ following the ABS census in 2006.

Koori researchers were trained in the data collection and developed a list of households based on community knowledge and lists from Aboriginal organisations. They visited 439 households and 427 residents (97%) agreed to participate. The community census identified 1309 Aboriginal residents. When the ABS and community census data were “triangulated” an estimated maximum possible population of 2131 Aboriginal people was identified.

This represents a maximum ABS census undercount of 28%.

This figure is supported by two other studies:

- The Rumbalara Aboriginal Cooperative Woongi research project estimated a 35% undercount by ABS in 19968; and
- A comparison by iCPC of ABS census data with primary school education enrolments in government schools suggests an ABS undercount of 12% which would increase with the inclusion of non-government schools and those children who do not identify as Aboriginal at school.

Key findings relevant to Terms of Reference:

- Localised research highlights a significant undercount in ABS Census collection, potentially impacting /undermining a range of policy, funding and strategic planning decisions and activities.
- The indigenous population is concentrated in a number of communities throughout the municipality underpinning the need for a suite of place based activities not a one-size-fits-all approach

In terms of the broader 'picture' a number of data sets and narrative sections are included in the following response indicating that while Greater Shepparton performs comparatively well against other regional settings, socio –economic disadvantage and inequity is evidenced.

Table Five: Median Income Levels, Greater Shepparton, 2006

	Gr. Shepparton (C) - Pt. A	Gr. Shepparton (C) - Pt. B East	Gr. Shepparton (C) - Pt. B West	Gr. Shepparton (C) LGA	Regional Victoria	Victoria
Median individual income per annum	\$22,265	\$24,665	\$20,910	\$22,215	\$20,805	\$23,750
Median household income per annum	\$45,310	\$55,635	\$45,625	\$46,200	\$42,755	\$53,270

Source: ABS Census of Population and Housing 2006; Essential Economics

Key findings relevant to Terms of Reference:

- The median individual income in Greater Shepparton is 7% higher than the regional Victorian median, however 6% less than that State median
- The median household income in Greater Shepparton is 8% higher than the regional Victorian median, however 9% below the State median
- There is substantial divergence between the Statistical Local Areas (SLA) within Greater Shepparton, which is potentially masked if only Local Government Area (LGA) level statistics are presented – thus highlighting the 'skew' that the regional centre of Shepparton may have over rural balance and townships statistics when data is captured at only LGA level.

Table Six: Education Levels - Post School, Greater Shepparton, 2006

Qualification	Greater Shepparton	Regional Victoria	Victoria
Postgraduate Degree	3%	3%	7%
Graduate Diploma and Graduate Certificate	4%	4%	5%
Bachelor Degree	21%	21%	31%
Advanced Diploma and Diploma	16%	17%	18%
Certificate	52%	51%	37%
Level of education inadequately described	3%	3%	3%
Total	100%	100%	100%

Source: 2006 ABS Census of Population and Housing, Essential Economics

It is worth noting that Greater Shepparton residents have a much stronger representation in terms of Certificate education (52%, which is similar to regional Victoria), compared to the State average of 37%.

This post-school education data reflects industry structure and employment opportunities of many regional areas, which tend to have a stronger focus on blue collar activities (eg, agriculture, manufacturing, transport and logistics) compared with other locations, particularly

metropolitan Melbourne areas, which have a stronger focus on white collar activities (eg, finance, insurance, professions, etc). A breakdown of employment by sector is provided in Table seven overleaf.

It is also worth noting a lack of access to higher education as an impediment. Greater Shepparton City Council's Strategy for Tertiary Education in Shepparton 2005-2009 cites that at the time of report the Shepparton region had the lowest provision of tertiary education in the state. Whilst some progress has been made on this front since, it will take time to redress the disproportionate lack of Equivalent Full Time Study Units available in the region.

The following table shows the disparity in opportunities based on the number of first round enrolments offered for 2008 at each of five smaller campuses across provincial Victoria.

Table Seven: Regional higher education campuses first round offers 2008

Campus	First Round Offers 2008
Gippsland	376
Mildura	117
Wodonga	476
Warrnambool	475
Shepparton	54

Despite the fact that Shepparton has a substantially larger population than each of the other centres other than the combined La Trobe Valley towns, the comparative number of first round offers does not reflect the size, role and significance of Shepparton. This situation places both school leavers and mature age students at Shepparton at a very significant competitive disadvantage. Large numbers of students must leave the region in order to obtain higher education. Furthermore, the lack of higher education facilities in Shepparton has flow on impacts in terms of competitiveness and livability.

A further challenge is the recent Federal Government changes to the Youth Allowance scheme. While these changes are welcome in isolated rural areas, they will greatly disadvantage Greater Shepparton youth as the area, while regional, is not deemed *isolated* and therefore ineligible under the new Youth Allowance regime.

Table Eight: Key Sectors and Jobs, Greater Shepparton, 2006

Industry sector	No.	Share	Regional Victoria Share
Primary Sector			
Agriculture, forestry and fishing	2,418	9.6%	8.7%
Mining	21	0.1%	0.5%
Sub-Total	2,439	9.7%	9.2%
Secondary Sector			
Manufacturing	3,339	13.3%	10.8%
Construction	1,538	6.1%	12.4%
Sub-Total	4,877	19.4%	23.2%
Tertiary Sector			
Electricity, gas, water and waste services	629	2.5%	1.3%
Wholesale trade	1,042	4.1%	3.1%
Retail trade	3,487	13.9%	11.7%
Accommodation and food services	1,222	4.9%	6.0%
Transport, postal and warehousing	1,039	4.1%	4.1%
Information, media and telecommunications	356	1.4%	1.6%
Financial and insurance services	602	2.4%	1.8%
Rental, hiring and real estate services	252	1.0%	1.0%
Professional, scientific and technical services	984	3.9%	3.6%
Administrative and support services	621	2.5%	3.4%
Public administration and safety	1,077	4.3%	5.3%
Education and training	1,935	7.7%	7.6%
Health care and social assistance	3,257	12.9%	11.2%
Arts and recreation services	183	0.7%	1.2%
Other services	996	4.0%	3.6%
Sub-Total	17,682	70.2%	66.5%
Inadequately described / Not stated	175	0.7%	1.2%
Total	25,173	100.0%	100.0%

When the employment patterns are examined according to geographic area, as defined by SLA, it is evident that the vast majority of Tertiary or service sector jobs (89%) and Secondary sector jobs in manufacturing and construction (81%) are located in urban Shepparton (i.e., Greater Shepparton SLA, Part A). Not surprisingly, the majority of Primary sector jobs (63%) are located in the mainly rural SLAs (Greater Shepparton Pt B, East and West).

Key findings relevant to Terms of Reference:

- The concentration of employment in the regional centre of Shepparton whilst enhancing the liveability of the region, does have the potential to continue the trend of inbound migration from surrounding rural areas, leaving smaller communities less viable and sustainable
- Whilst the economic base in the regional centre of Shepparton is diversifying and to a lesser degree this is evidenced throughout the municipality, the labour market remains vulnerable to structural economic change which as noted in the introduction is less able to be absorbed in regional areas
- Many leading industry sectors are faced with critical skill shortages which must be met in order to sustain and grow these businesses. Addressing skill shortages is particularly challenging in regional areas.
- Greater Shepparton City Council has been an active participant in the Skilled Migration Program to address skill shortages however it is worth noting the particular settlement challenges presented in a regional setting as opposed to a metropolitan context with increased service provision available to support migrant transition and settlement
- Drought / Climate change and structural adjustment are leading to changes in primary production which is in turn impacting relative opportunity and viability of rural communities.
- Inadequate provision of higher education is creating disadvantage on a number of levels (failure to enhance individual life chances, loss of youth from the region, lost opportunity of industry partnerships, perpetuating of skill shortages to name a few)

Table Nine: Residential Property Prices, Greater Shepparton and Regional Victoria, 2000-2007

	Greater Shepparton			Regional Victoria		
	House	Units	Vacant land	House	Units	Vacant land
2000	\$120,000	\$102,000	\$43,000	\$105,000	\$96,000	\$39,500
2001	\$137,000	\$105,000	\$51,500	\$121,000	\$103,500	\$44,000
2002	\$155,000	\$139,875	\$60,000	\$145,000	\$125,000	\$52,500
2003	\$171,000	\$159,750	\$75,000	\$174,000	\$155,000	\$65,000
2004	\$196,000	\$172,000	\$90,000	\$193,500	\$175,000	\$75,000
2005	\$208,000	\$170,000	\$95,000	\$210,000	\$190,000	\$85,000
2006	\$236,500	\$189,000	\$100,000	\$222,000	\$192,500	\$92,000
2007	\$230,000	\$180,000	\$100,000	\$232,000	\$199,000	\$100,000
Change 2000-07	\$110,000	\$78,000	\$57,000	\$127,000	\$103,000	\$60,500
AAGR 2000-07	9.7%	8.5%	12.8%	12.0%	11.0%	14.2%

Source: DSE, *A Guide to Property Values, 2007*

In responding to the Terms of Reference it is worth addressing a widespread perception that housing is more affordable in regional areas. While housing may be on the whole at lower price levels, regional centres have limited capacity to offer housing choice for purchase or rental because of the limitations on supply. Shepparton has shortages of housing in key price brackets and is consistently in a tight rental market. The only option for many people is to buy or rent elsewhere and commute – not a sustainable and attractive option for many people. The lack of suitable housing particularly in the rental market deters professionals, highly skilled and high-income households from relocating to Shepparton.

It is also worth noting that despite perceived housing affordability the region is experiencing significantly higher degrees of mortgage stress than the Victorian state figures.

Table Ten: Households experiencing mortgage stress (2006)

Area	Low income households*	Mortgaged private dwellings	% of mortgage stress
Greater Shepparton – Part A	544	5,547	9.8
Greater Shepparton – Part B (east)	56	513	10.9
Greater Shepparton – Part B (west)	138	1,081	12.8
Country Victoria	15,925	167,673	9.5
Victoria	58,238	634,802	9.2

Table Eleven: Households Experiencing Rental Stress (2006)

Area	Low income households*	Rented Private Dwellings	% of rental stress
Greater Shepparton – Part A	1,368	4,740	28.9
Greater Shepparton – Part B (east)	30	182	16.5
Greater Shepparton – Part B (west)	146	597	24.5
Country Victoria	31,151	116,233	26.8
Victoria	109,633	447,070	24.5

It is worth noting that to a degree the state-wide planning framework limits the capacity of regions to address housing challenges locally. For instance, one of the great assets a regional centre possesses is the potentially abundant land supply for residential development relatively close to the city centre, yet Victorian Planning Provisions largely developed to meet metropolitan imperatives must be applied thereby restricting development which better meets the needs of the existing community and potential new residents. This in turn equates to impacts on all manner of housing stock and affordability /availability issues.

Table Twelve: Office of Housing waiting list for Greater Shepparton December 2009

HOUSING OFFICE	EARLY HOUSING	GENERAL HOUSING	TOTAL NUMBER
Shepparton (Transfers)	49	58	107
(Total Applicants)	114	256	370

Early housing refers to those identified as having special needs for housing.

The Office of Housing currently has a housing stock of 1,100 properties in the Greater Shepparton area.

The general waiting time to gain access for these properties is in the order of;

Early Housing category - 4 months to 2 years

General Housing category - 2 years and beyond

Key findings relevant to Terms of Reference:

- Housing appears to remain a strong attribute for the municipality and compares favourably to the regional Victorian figures however once again aggregate data may mask critical pricing and trend indicators
- Lack of stock compared to metropolitan context may counter act affordability in attracting new residents
- Significant mortgage and rental stress indicating economic disadvantage
- A one-size-fits-all state planning framework is inappropriate for regional application
- Public housing policies and provision must take into account the particular challenges of rural and regional settings

Table Thirteen: Public transport comparison

City	Distance to Melbourne	No of services Mon-Fri
Ballarat	116km	16
Bendigo	151km	17
Shepparton	180km	3
Traralgon	165km	18
Seymour	110km	20

Public transport access to Melbourne is a critical element in the competitiveness and liveability of regional centres in relation to business, government and a wide range of social and community needs. Convenient and low cost access to services and facilities only available in Melbourne, such as specialist medical and dental services or training facilities, crucial in tackling disadvantage and inequity of rural versus metropolitan communities.

Since the implementation of the fast rail services on the other four regional lines their patronage levels have increased substantially and additional services have had to be added to cope with the demand. The preceding table contrasts these services with the Shepparton line and highlights the very significant disadvantage now experienced by people from Greater Shepparton, and the broader northern Victoria area.

Not only is this a frequency issue, but the travel time is much slower on this line because of the state of the track and the condition of the rolling stock. Significant capital expenditure is surely warranted to provide a comparative level of service to that available more generally.

Having said that, the substantial investment into the road network such as the recently completed Goulburn Valley Highway Arcadia duplication and the Nagambie bypass now under construction will enhance the safety and travel time to and from Melbourne via road.

A lack of and poorly timetabled V/Line services – both rail and coach – into and from Melbourne coupled with the relative ease of vehicle transport provides a notable disincentive to utilise public transport. Albeit this is despite the fuel, environmental, parking and the like costs associated with commuting by car.

Key findings relevant to Terms of Reference:

- Greater Shepparton residents are at a demonstrable disadvantage in terms of equitable access to public transport.

Perhaps one of the most critical issues to Greater Shepparton and an area of stark contrast between regional and urban settings, is water security. While the Goulburn Valley enjoys one of the most secure systems in the state, as noted earlier the region’s economy is highly geared to food production and therefore heavily reliant on water. Water availability and affordability have become paramount issues in recent times.

While the Foodbowl Modernisation Project will deliver water savings and essential upgrades to the region's irrigation infrastructure however much energy and investment is required to address 'on farm' efficiencies and infrastructure.

Meanwhile, the potential impacts of climate change cannot be overlooked. The Northern Region Sustainable Water Strategy highlights that climate change could impact on all aspects of the water cycle. Specifically that reduced rainfall and hotter temperatures are expected to result in drier soils, less run off into waterways and storages, and more evaporation from rivers, channels and dams. The most severe climate change scenario spells significant adjustment for the environment, the irrigation sector and the communities that depend on it. Table Thirteen overleaf demonstrates a number of scenarios

Table Fourteen: Forecast change in total inflows in the major river systems in the Northern region (compared with long term averages)

River system	Water availability scenarios at 2055			
	A – Low climate change	B – Medium climate change	C – High climate change	D – Continuation of low inflows (July 1997 - June 2007)
Murray*	+ 8%	-21%	-40%	-43%
Kiewa	-5%	-19%	-32%	-23%
Ovens	-6%	-24%	-41%	-33%
Broken	-7%	-31%	-51%	-53%
Goulburn	-7%	-25%	-43%	-49%
Campaspe	-9%	-31%	-54%	-72%
Loddon	-10%	-34%	-58%	-74%

Note: * Refers to total Murray system, not just Victoria's share.

Source Northern Region Sustainable Water Strategy – Fact Sheet Two

Key findings relevant to Terms of Reference:

- Regional water policy must take into account both rural and urban settings
- Climate change will lead to structural economic adjustment dramatically impacting both rural communities and regional centres such as Shepparton
- Further to above point, despite it’s size and scale Shepparton as a city is vulnerable to issues stemming from water security which in turn compounds the impacts of water security o surrounding rural communities



Key recommendations

Greater Shepparton City Council seeks to highlight the diversity of its population and to reinforce the need for placed based interventions to address levels of disadvantage and inequity. As highlighted in a number of the preceding data sets there is substantial divergence across the municipality which can be overlooked when aggregate LGA data is used to inform programs, policies and activities.

In terms of addressing evidenced disadvantage, Council encourages dialogue with relevant service providers to inform the most effective placed based approaches and strategies.

In closing the Council seeks to summarise a series of key Council priorities that have been the subject of previous Council submissions on issues of rural and regional competitiveness, liveability and disadvantage

- Water security – securing water for the community, for industry and for the rural producers that create the food bowl of Australia is a critical priority for the region.
- Public transport rail services – this region is severely disadvantaged in comparison with other regional centres. This region's capacity to compete and present the same level of liveability depends in part upon fast regional rail services. In the absence of state government action to redress this anomaly and provide this facility, large numbers of persons in the community will continue to be disadvantaged.
- Regional rail network and the Goulburn Valley Freight and Logistics Centre – the region is already a major national freight hub, further support by state government to ensure the development of facilities and capacity will consolidate that leading status and ensure higher levels of competitiveness at a local, regional and state level.
- University education – this region has a very limited provision of university facilities and courses, by comparison with other regional centres the region is severely disadvantaged. This has significant impacts on the capacity of the region to present itself as a competitive and liveable place and continues to position the community at a disadvantage.
- Workforce capacity and skills shortages is restricting major regional centres like Shepparton from achieving their full capacity. The region is heavily reliant on Australia continuing its skilled migration program and consequently the Council is a strong advocate of further skilled migration. There is a strong need for increased levels of support for newly arrived immigrants for training, language skills and particularly for housing.
- Access to high-level capacity IT has become critical for regional centres. Broadband speed and mobile telephone coverage is critical. Those looking to invest and relocate to a regional centre expect this to be provided and if it is not it is an immediate deterrent.

Support by the state government, in partnership with local government and the regional community for these projects and the other initiatives and issues listed in the submission will greatly enhance the capacity of Greater Shepparton and the surrounding region to retain and attract population, provide a more competitive economy and ensure greater levels of equity with metropolitan settings.

The Council looks forward to the outcomes from the inquiry, and as noted, would be pleased to host / meet with the Committee should the opportunity present.

