



# WILCANNIA MOTEL ACCOMMODATION BUSINESS CASE

Central Darling Shire Council

V.6

September 2023

## KEY PROPOSAL DETAILS

PROPOSAL INFORMATION	
Proposal name	Wilcannia Motel Accommodation
Lead proponent (e.g. Council)	Central Darling Shire Council
Lead proponent ABN	65 061 502 439
Proposal partners	Balmoral Group Australia
LEAD CONTACT	
Name	Greg Hill
Position	General Manager
Phone	08 8083 8900
Email	council@centraldarling.nsw.gov.au
Fax	08 8091 5994
Address	21 Reid Street Wilcannia, New South Wales 2836
PROPOSAL SCOPE	
Proposal summary for publication Please provide 150 words or less	
PROPOSAL LOCATION	
Proposal address	35 and 37 Reid St, Wilcannia, Lot 4 + 5, Section 3, DP 759091
Local government area	Central Darling Shire
NSW electorate	Barwon
Federal electorate	Parkes
SUPPORTING INFORMATION	
Attachments Please list out all supporting information provided	<ol style="list-style-type: none"> <li>1 Socioeconomic Profile</li> <li>2 Three years of Council Report with Financial statements included</li> <li>3 Feasibility study and design report</li> </ol>

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# 1 EXECUTIVE SUMMARY

This business case supports the opportunity for the NSW Government to fund the construction of a new 30-room Motel in Wilcannia that will provide much needed accommodation for the region. The project aligns with multiple NSW State government strategies and priorities, including Strategy Two of the Regional Economic Development Strategy actions for the Far West Functional Economic Region to:

- Create a diverse economy supported by infrastructure, exceptional natural environment and resilient communities.
- Establishes the key vision, objectives and priorities to make regional NSW the first choice for global investors.

Wilcannia is a small town situated in North Western New South Wales. Although the town is connected to nearby towns by several highways and roads, it faces challenges with its tourism infrastructure and accommodation facilities. Currently, there is only one commercially operating Airbnb and two caravan parks situated outside the main centre. The total amount of rooms available in Wilcannia is 21. There is a lack of essential services like a bakery that can provide the town with fresh bread that is locally baked.

To address these issues, a proposed 30-unit motel will offer restaurant and bakery services as well as accommodation that is not currently available in Wilcannia, meeting and conference rooms, and allow more visitors to stay one night in the town. The project aims to stimulate economic growth, enhance the quality of life in Wilcannia, and offer better accommodation options to visitors. The motel is expected to have an 80% occupancy rate which considers the "hot season" in the far west.

The proposed Wilcannia Accommodation project analysis indicates a compelling net benefit of \$8.3 million with a Benefit-Cost Ratio (BCR) of 1.30 over a 20-year period compared to the base case without new accommodation. The primary benefits stem from motel revenue, supplemented by spending from domestic visitors, presenting an opportunity for town development and economic growth beyond the assessed CBA. The project is expected to create 10 full-time jobs at the motel, with additional indirect employment opportunities generated by an increased number of tourists staying in the Shire. Sensitivity tests show the project's resilience, even under a 30% decrease in revenue or occupancy rates. The analysis identifies significant benefits to Wilcannia residents, the broader community, and the government/Council.

The Wilcannia Accommodation project promises to address community needs by providing essential services such as a new restaurant and bakery for local residents as well as for contracted workers and passers-by. For the broader community, the project increases available accommodation, potentially boosting the local economy by encouraging overnight stays and facilitating events and conferences. The Government and Council stand to benefit substantially, with revenue from the motel contributing to community services and overall liveability improvements for the town. The distributional analysis highlights the Government/Council as the primary beneficiary, followed by the broader community, emphasising the potential benefits from the bakery and restaurant revenue for both residents and the community.

The Central Darling Shire Council is the lead proponent of the project. The proponents are open to collaborating with Public Works Advisory to deliver the project as is the case for the Baaka Cultural Centre.

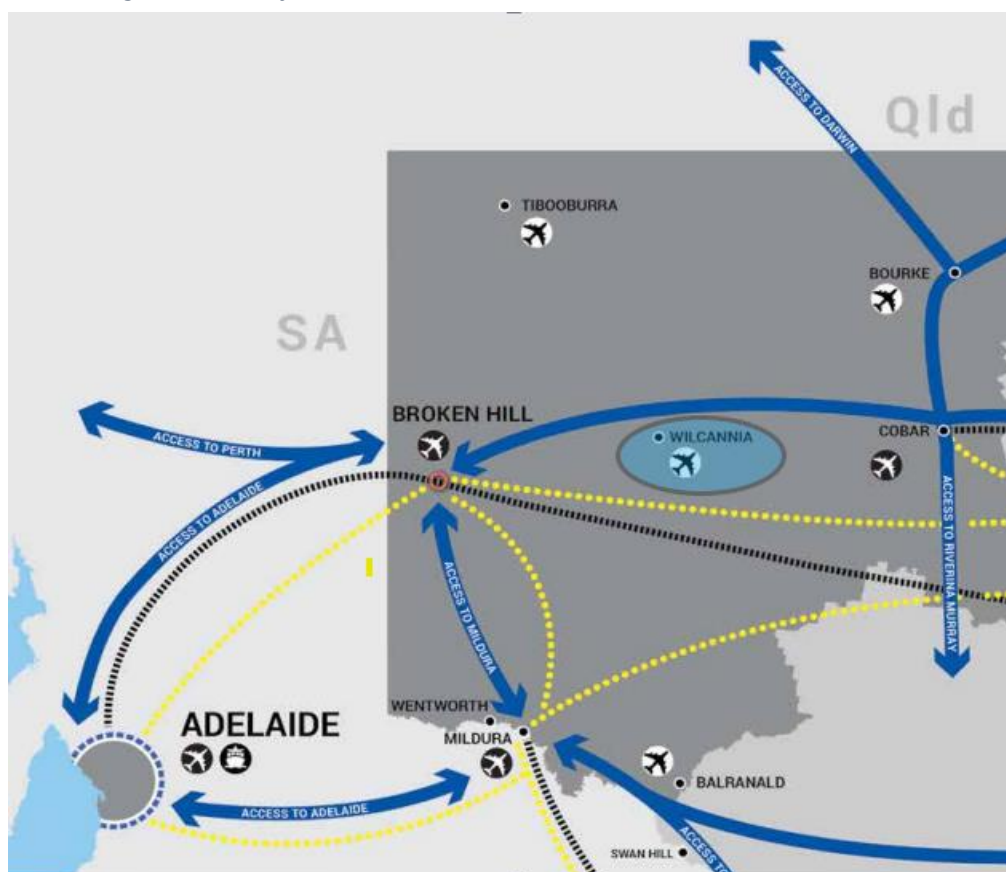
Balmoral Group Australia prepared this business case on behalf of the Central Darling Shire Council.

## 2 CASE FOR CHANGE

### 2.1 BACKGROUND

Centred in the heart of the Central Darling Shire in North Western New South Wales, Wilcannia is a small town on the Darling River in the Far West of NSW, approximately 260km west of Cobar and 200km east of Broken Hill. The town is located amongst the corridors of Barrier Highway, Opal Miners Way, Wilcannia-Wanaaring Road, Wilcannia Road, and W Tilpa Road, connecting the nearby towns White Cliffs and Ivanhoe, and tied to the major regional centres of Broken Hill and Cobar. In addition to the significant mining and agricultural activities across the Far West<sup>1</sup>, other NSW government investments have diversified the regional economy. The Central Darling local government areas expected to receive a share of \$110 million in funding to improve water security and drought resilience. Specifically, Wilcannia presently has a number of ongoing projects in the construction phase including the Baaka Cultural Centre, Pooncarie Road, and Victory Caravan Park, which are focal to the town's economic development plans and aimed at enhancing the visitor economy and prioritising community liveability. Above all, these commitments are expected to accommodate current workers and ongoing support workers such as police, healthcare and justice staff visiting Wilcannia temporarily.

Figure 1: Western Regional NSW major corridors



Source: Broken Hill Economic Development Strategy

<sup>1</sup> <https://www.planning.nsw.gov.au/sites/default/files/2023-03/far-west-regional-plan-2036.pdf>

This business case establishes a positive outcome for the investment in a 30-studio room motel in Wilcannia including but not limited to, commercial facilities (commercial laundry and bakery) a reception area, carpark and a restaurant and bar. The bakery will provide fresh products to the wider community. The project will also incorporate two Electric Vehicle (EV) charging points encouraging the ever-increasing EV market to stay overnight in Wilcannia.

In 2019, Tourism Research Australia recorded 98,000 intrastate visits and 152,000 overnight stays across the Central Darling Shire region<sup>2</sup>. While COVID severely impacted regional tourism in 2020 and 2021, indications are that pre COVID levels of tourism travel are returning to full strength. As an example, the recent Mundi-Mundi Bash had a record 12,000 visitors and over 4,000<sup>3</sup> vehicles attending. Many of these visitors travelled through Wilcannia.

The 30-bedroom accommodation project will not only supplement future demand, but addresses the short supply in the number of accommodation rooms currently available in Wilcannia. At present, there is one commercially operating Airbnb located the main town centre, the Queens Head Wilcannia, which can only accommodate up to 7 guests. Other existing accommodation is the Warrawong on the Darling Holiday Park, a caravan park located 2.7 kilometres outside Wilcannia's main centre, providing camping, caravanning, and 21 cabins and Victory Park Caravan Park located less than one kilometres distance with the main centre.

The Feasibility and Concept design report outlines the project and features 36 car-parking spaces and 30 studio-style rooms, supported by a two-level building structure. The site area is expected to cover an area of 4,540sqm. The Motel's ground level is planned to have 14 x studio rooms and 1 x twin bedroom, and the first floor of the Motel features identical room arrangements. Each studio module will have an approximate area of 42 sqm. In addition, the precinct is expected to have a shared laundry for the motel's residents (7 sqm), reception including a lobby and a staff meeting room (8 sqm), and a restaurant and bar with a kitchen covering a total area of 240 sqm.

Three potential sites for work were explored. However, site one below was considered the best option due to its proximity to the parkland and the Darling (Baaka) River. Further, the visual connection to the caravan park and existing buildings offer the most potential for the site to be used as a motel and restaurant/café.

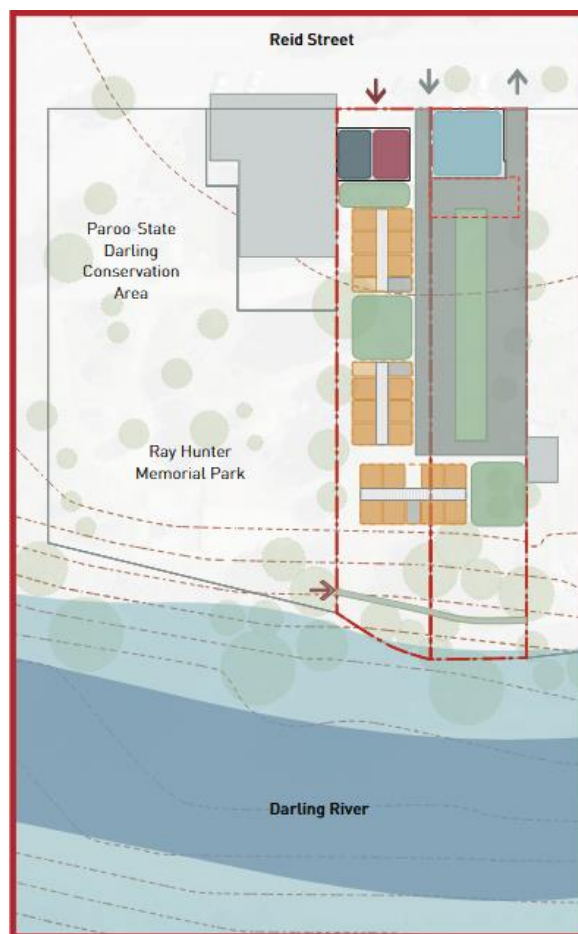
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<sup>2</sup> <https://www.tra.gov.au/Regional/local-government-area-profiles>

<sup>3</sup> [https://mundimundibash.com.au/wp-content/uploads/2023/07/MMB23\\_Festival\\_Guide\\_Download.pdf](https://mundimundibash.com.au/wp-content/uploads/2023/07/MMB23_Festival_Guide_Download.pdf)



Figure 2: Preferred option for Motel masterplan



Source: Feasibility and Concept design report

The selected option was highlighted in the Feasibility and Concept design study and was considered for the following reasons:

- The site offers a direct connection with Darling River
- Its location offers a strong arrival point into town
- It is within walking distance to other tourist and cultural buildings including the Baaka Cultural Centre and local Café's
- It has a direct connection to existing park
- The existing Athenaeum has significant heritage value and is in good condition
- This site is currently owned by council
- It consists of a steep rear end that banks to the river

## 2.2 RATIONALE FOR INVESTMENT

The Wilcannia Motel Accommodation project is strategically designed to overcome several challenges both current and emerging, while also mitigating risks associated with deferred implementation. Some of the challenges incurred from the base scenario and the current state of Wilcannia include the following;

### 2.2.1 ECONOMIC LEAKAGE DUE TO ACCOMMODATION SHORTAGE

The absence of suitable accommodation options in Wilcannia forces visitors to seek overnight stays elsewhere, which reinforces the public perception that Wilcannia is a through town rather than a destination place. This directly impacts the local economy, as revenue that could have been generated from providing these services is diverted to either Broken Hill or Cobar. Consequently, the implications that may arise due to non-viable lodging options include:

- I. **Underutilisation of Cultural Heritage Attractions:** The current accommodation shortage may not be able to cater for everyone exploring current and future attractions. As a result, the economic benefits derived from cultural and heritage tourism remain largely unrealised. With the Baaka Cultural Centre under construction and new businesses developing a lack of suitable accommodation will impact the future viability of these projects.
- II. **Workforce disincentives:** The Far West region is anticipating a surge in investment levels across mining and infrastructure projects. According to Mining NSW<sup>4</sup>, the ongoing and future Far West mining projects are expected to incur over \$4.2 billion in capital investment, creating approximately 5100 jobs. These projects are mainly located in Broken Hill. Transient workers travelling between the main regional centres may take breaks and seek temporary accommodation for the remainder of their trip. For example, it is an eight-hour drive between Broken Hill and Dubbo. Wilcannia is a 2-hour drive to Broken Hill and could be used as a stopover place by transient workers. This is not limited to other ongoing projects within Wilcannia, including Pooncarie Road Project and the Baaka Cultural Centre. In turn, the lack of suitable lodgements may lead to a shortage of skilled workers and limited workforce growth, further hampering economic activity.

### 2.2.2 ACCOMMODATING CULTURAL AND HERITAGE TOURISM

The establishment of the Motel aims to increase the capacity of available accommodation options in Wilcannia. The construction of the Baaka Cultural Centre is expected to be completed by the end of 2024 and is anticipated to attract more tourism visitations as more people seek to explore Aboriginal Cultural Heritage experiences. The development of a new Motel will encourage visitors to stay an extra night and experience the cultural experiences of the region.

### 2.2.3 FOOD AND DRINK FACILITIES

The Motel Accommodation will host a restaurant and bar with a commercial kitchen, also being suitable for use as a bakery and café. At present, there is only one grocer and no fresh bakeries in Wilcannia. The inclusion of this facility will assist in addressing the needs of the community by providing a basic level of essential goods. This will simultaneously add to the level of competition amongst businesses, which will put downward pressure on prices for the community to access more affordable essential food sources. In addition, the motel and its facilities will have the potential to create new job opportunities across the hospitality sector throughout the region.

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<sup>4</sup> <https://www.nswmining.com.au/news/2022/9/mining-project-proposals-for-nsw-increase-again-driven-by-metals-sector>

## 2.3 STRATEGIC ALIGNMENT

The business plan for Wilcannia Hotel Accommodation is in line with several ongoing and upcoming projects initiated by the NSW, and Federal Governments and neighbouring Local Government areas. If the project is successful, it has the potential to yield significant outcomes as it aligns with the objectives of the Central Darling Shire region, which aims to enhance tourism, expand availability of basic amenities, improve community liveability and create new job opportunities.

Much of the strategic alignment described in this report is directed towards the Wilcannia region. However, the flow-on effects of the investment will have wider economic and social benefits aligning with the overall direction of the Federal and NSW Governments in assisting the long-term sustainability of rural and regional areas.

The project aims are to:

1. Address the shortage of visitor accommodation available in Wilcannia resulting in improved community liveability and enhanced local economic outcomes.
2. Provide an alternative style of accommodation to the current caravan park and Warrawong on the Darling, thus providing a much needed alternative accommodation option.
3. Address long-distance travel to the nearest hotel accommodation approximately 100 kilometres from Wilcannia.
4. Extra accommodation to facilitate increased visitation numbers from ongoing cultural and tourist projects, including the Baaka Cultural Centre, is expected to drive demand for overnight stays.
5. Improve liveability by providing a comfortable and convenient place for tourists. This will enhance community outcomes by accommodating visitors, workers, or those needing temporary accommodation, making the town a more appealing place to visit overall.

Table 1 below outlines how the overarching investment aligns with relevant ongoing and future strategies imposed by the NSW government and surrounding Local Government Areas.

Table 1: Government-aligned strategies in support of proposal

Entity	Business Case Objectives	Document	Strategy	Objectives
Federal Government	5	NSW Government Visitor Economy Strategy 2030	Aim to be the premier visitor economy of the Asia Pacific by 2030.	Outcomes included, but are not limited to: <ol style="list-style-type: none"> <li>1. 8% contribution to gross state product by 2030.</li> <li>2. 10% visitor economy job growth by 2030</li> <li>3. \$65 billion in total visitor expenditure by 2030.</li> </ol>

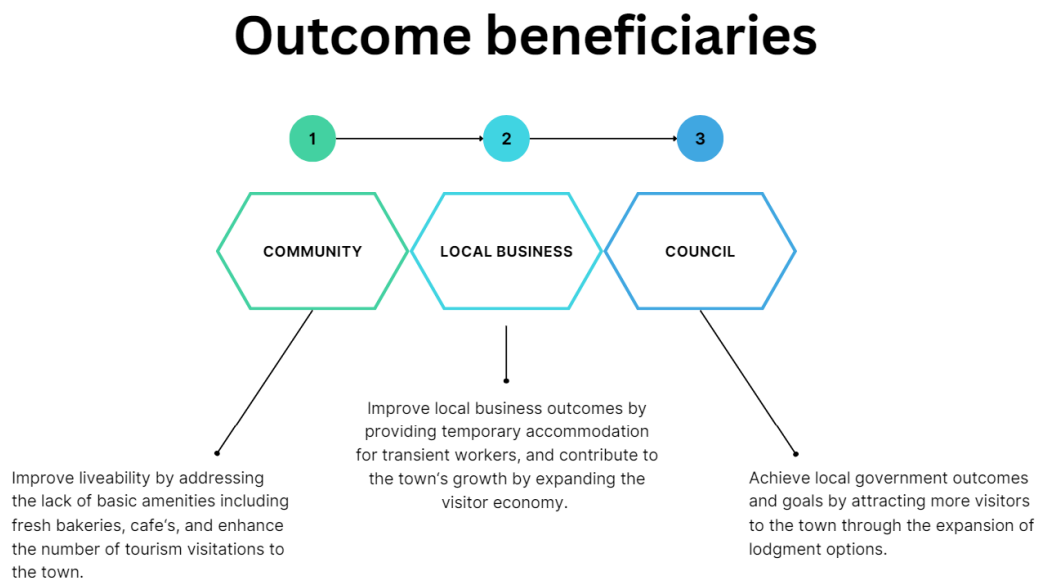
1	NSW Government Far West Regional Plan 2036	Create a diverse economy, supported by infrastructure, and exceptional natural environment and resilient communities.	<p>The NSW government has acknowledged the opportunities for regional coordination and set the following regional goals:</p> <ol style="list-style-type: none"> <li>1. Diversified regional economy with efficient transport and infrastructure networks.</li> <li>2. Semi-arid rangelands traversed by the Barwon-Darling River.</li> <li>3. Resilient and connected communities.</li> </ol>
3	Regional Services and Infrastructure Plan	Connect coastal and inland communities and support regional communities.	<p>Objectives:</p> <ul style="list-style-type: none"> <li>• Deliver cutting-edge road infrastructure to facilitate regional interconnectivity.</li> <li>• Develop a safe and resilient transport system.</li> </ul>
4	NSW Government Investment Attraction Strategy 2027	Establishes the key vision, objectives and priorities to make regional NSW the first choice for global investors.	<p>Key Priorities:</p> <ul style="list-style-type: none"> <li>• Aim to deliver 15,000 new regional jobs.</li> <li>• \$1 billion in private sector investment over the next five years.</li> </ul>
4	THRIVE 2030 Vision	<p>THRIVE 2030 envisions a visitor economy that:</p> <p>Delivers quality experiences for visitors</p> <p>Includes businesses that:</p> <p>are globally competitive, are profitable, grow sustainably, provide jobs, growth and infrastructure that benefit Australian communities.</p>	<p>Priorities:</p> <ol style="list-style-type: none"> <li>1- Diversifying markets, experiences and destinations. For example, respectful inclusion of First Nations peoples and cultures</li> <li>2- Modernising the visitor economy workforce, infrastructure and business practices</li> <li>3- Collaborating between industry and government at every level, including by using high-quality data and insights.</li> </ol>

Local Government	5	Central Darling Shire Community Strategic Plan 2030.	Describe the community's vision and long-term goals for the future of their local area and region, and identify strategies to achieve them.	Address priority issues across 6 focus areas including: <ol style="list-style-type: none"> <li>1. Community and Culture</li> <li>2. Local and Regional Governance</li> <li>3. Natural Environment</li> <li>4. Local Economy</li> <li>5. Rural and Urban Land use</li> <li>6. Infrastructure and Services</li> </ol>
	1	Broken Hill Community Strategic Plan 2040.	Reflect on the current focus, challenges and goals of our community.	Support achievement of community vision, including: <ul style="list-style-type: none"> <li>• Economy: Build a resilient economy, and make the best use of remoteness.</li> <li>• Environment: Enhance commitment to environmental conservation and preservation through greater reduction of human impact.</li> </ul>

## 2.4 EXPECTED OUTCOMES

Based on the project outcomes the beneficiaries have been identified under three major classifications including community, local business, and council.

Figure 3: Key Outcome Beneficiaries



Source: BGA work product

In addition, a more detailed relationship between the key outcomes and the associated beneficiaries is highlighted below.

- **Workers:**

Transient workers in need of suitable accommodation when allocated job opportunities in the region.

- **Visitors:**

Tourists, families, and other guests requiring short-term accommodation for town exploration, river adventures, and various purposes.

- **Government, Council Members, and Healthcare Workers:**

Individuals from government bodies, councils, and healthcare professions seeking short to medium-term stays based on work contracts and assignments.

- **Heritage and Nature Enthusiasts:**

Visitors interested in exploring Wilcannia's heritage architecture, local Aboriginal heritage, culture, and nearby national parks.

## 2.5 STAKEHOLDER & COMMUNITY SUPPORT

The proposal aims to address both direct and indirect issues faced by the town's stakeholders, by establishing a strong case for the construction of a new motel accommodation in Wilcannia. Some of these key stakeholders include:

**Wilcannia Hospital:** The hospital could potentially benefit from improved accommodation options for visiting medical professionals and patients' families.

**BAAKA Cultural Centre:** The cultural centre might appreciate the opportunity to accommodate visiting artists, researchers, and participants in cultural events.

**Wilcannia Central School:** The school might find value in having additional lodging for visiting educators, trainers, and parents attending school events.

**Showground:** The showground could potentially attract more event participants if there's modern and convenient lodging nearby.

**Post Office:** The post office might indirectly benefit from increased tourism and commercial activity that a new motel could bring.

**Police Station:** The police station might appreciate having better accommodation options for officers who are stationed temporarily or attending training.

**Local Court:** Similar to the police station, the local court could benefit from lodging for legal professionals visiting for cases.

**Central Darling Shire Council:** The council could view the proposal as a means to boost local economy, tourism, and possibly generate revenue through taxes and fees.

**Swimming Pool, Golf Club, Community Grocer:** These facilities could indirectly benefit from increased visitors and patronage due to the presence of a new motel.

**Accommodation Providers (Wilcannia Motel, Queens Head Wilcannia, Victory Park Caravan Park, Warrawong on the Darling Holiday Park):** Existing accommodation providers might see competition from the new motel, but they could also benefit from increased overall tourism.

## 3 ANALYSIS OF THE PROPOSAL

### 3.1 OBJECTIVES & INDICATORS

**Table 2: Proposal objectives**

Key problem/issue	Key proposal objective	Key success indicator
Economic leakage due to Accommodation shortage	To address the economic and tourism leakage by providing suitable accommodation options in Wilcannia	An increase in the number of visitors staying in Wilcannia rather than seeking accommodation in neighbouring towns like Broken Hill or Cobar. The occupancy rate and revenue generated from the new motel could be two solid indicators.
Accommodating Cultural and Heritage Tourism	To increase the capacity of available accommodation options to cater to the expected increase in tourism due to the Baaka Cultural Centre and other cultural heritage attractions.	An increase in the number of tourists staying an extra night in Wilcannia to experience the cultural heritage offerings. This can be measured through the length of stay of tourists and the overall increase in tourist visits.
Lack of Food and Drink Facilities	To provide food and drink facilities, including a restaurant, bar, and fresh bakery, to address the community's needs and create job opportunities.	Improved access to essential goods, such as fresh bakery products, and restaurant for a longer hours per day. Additionally, the creation of new job opportunities in the hospitality sector can be measured by the number of jobs generated by the motel and associated facilities.
Enhance the liveability of Wilcannia	Improve the overall quality of life for residents and visitors of Wilcannia by providing them access to essential services and amenities.	Decrease the rate of negative growth population and attract new residence

### 3.2 THE BASE CASE

Wilcannia is facing a major challenge regarding its tourism infrastructure and accommodation facilities. The town currently has a shortage of lodging options, with only one commercially operating Airbnb. These limited choices do not meet the potential demand from tourists and travellers visiting the region. Consequently, visitors are often compelled to seek lodging in other nearby towns like Broken Hill or Cobar, which results in economic leakage and diverts revenue away from Wilcannia. This situation not only hinders the economic growth of the town but also perpetuates the perception of Wilcannia as a transient town rather than a destination. This, in turn, results in missed opportunities to capitalise on the rich cultural and heritage tourism potential in the region. Furthermore, the lack of essential services like a fresh bakery and adequate food and drink facilities contributes to a less-than-ideal quality of life for the local community. This underscores the need for a strategic investment, like the proposed 30-studio room motel accommodation project, to address these challenges, stimulate economic growth, and enhance the quality of life in Wilcannia.

### 3.3 OTHER OPTIONS CONSIDERED

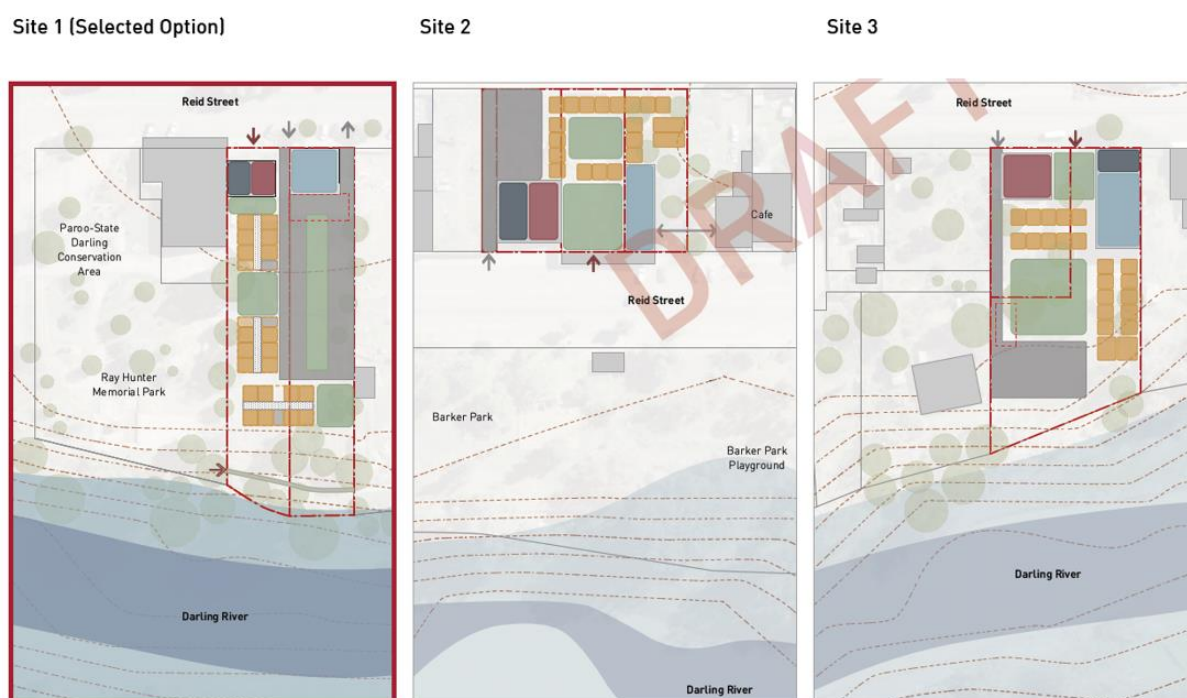
Three potential project sites along Reid Street were explored with massing diagrams of the required spaces from the brief.

Site 1 is the preferred option due to its ownership by the council and direct connection with the Darling River. Its location also offers a strong arrival point into town and is within walking distance to other tourist and cultural buildings, including the BAAKA Cultural Centre. The site has a direct connection to an existing park and the existing Athenaeum is in good condition and holds significant heritage value.

Site 2 has several advantages and drawbacks to consider. On the positive side, the site has the potential to connect with an existing neighbouring café, and it offers open access to the public park and playground located across the site. Additionally, the site is relatively flat and provides views towards the Darling River. On the downside, there are a few obstacles to overcome. Firstly, the council does not own the site, which must be addressed. Secondly, the council will purchase four adjacent lots to ensure that the required brief can be met. Lastly, the site is situated away from the entry point into town, which may present some challenges.

Site 3 has its advantages and disadvantages. On the one hand, it offers a direct connection with the Darling River, as well as a direct connection to the adjacent open area. Additionally, it is situated around other civic and government buildings. However, there are also some drawbacks to the site. Firstly, the council does not own the site and must be purchased. Secondly, most of the site has a steep gradient that falls towards the river. Furthermore, it is situated further away from the new BAAKA Cultural Centre and from the entry point into town.

**Figure 4: Motel Massing Diagrams (three sites)**



Source: Feasibility and concept design Report 2023

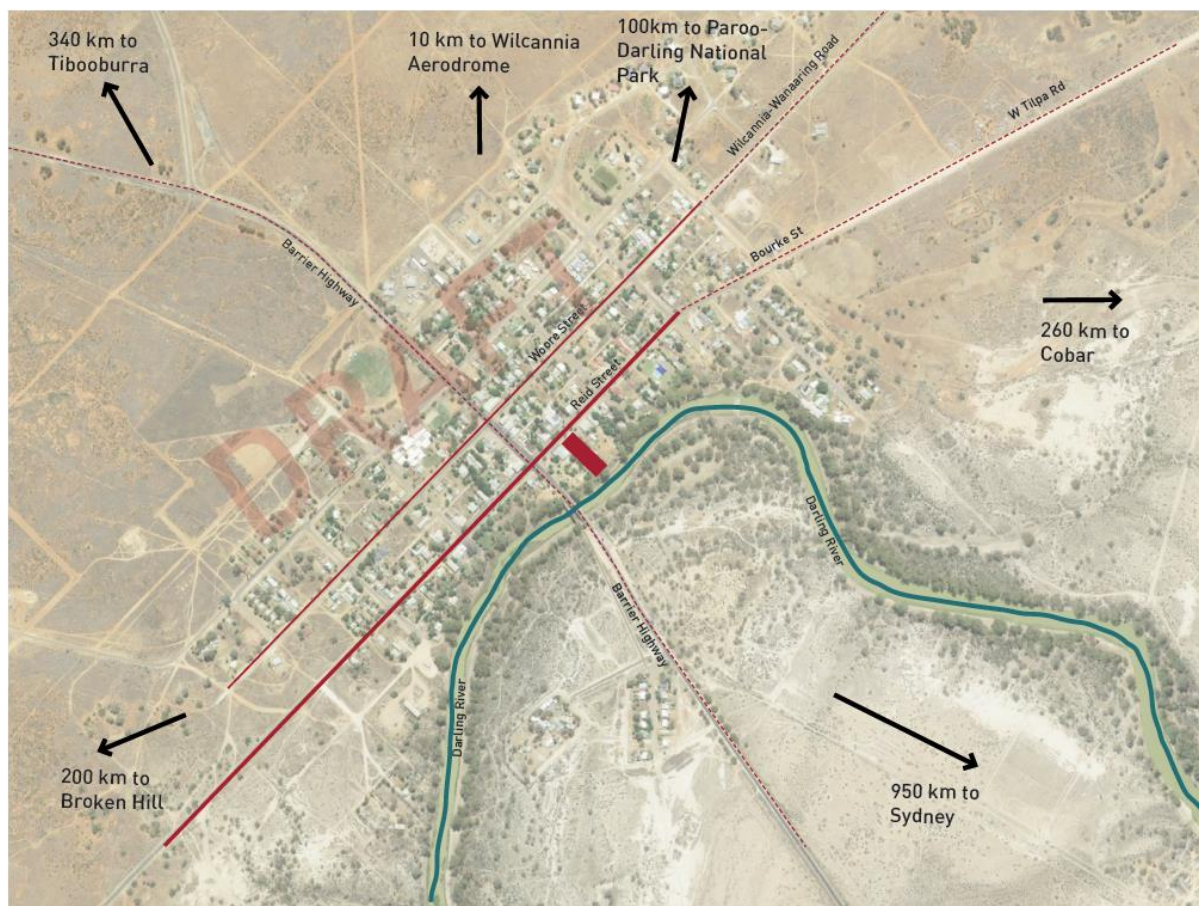


## 3.4 INFORMATION ABOUT THE PROPOSAL

### 3.4.1 SCOPE OF WORKS

The preferred site sits on one parcel of land registered as 35 and 37 Reid St, Wilcannia. The site area is 4,540sqm, it is rectangular in shape, orientated along the north-west south-east axis, and a steep decline in a south direction to the rear boundary. It has a street frontage to its north-west. Figure 5 demonstrates the location of the motel and its distance to other places. This project is to provide a motel with the following features: – 30-unit motel units including, – common lounge, – Commercial laundry, – coin op laundry, – Managers quarters, – Reception, – Carpark, – Restaurant and bar with a commercial kitchen suitable for use as bakery, restaurant and/or café.

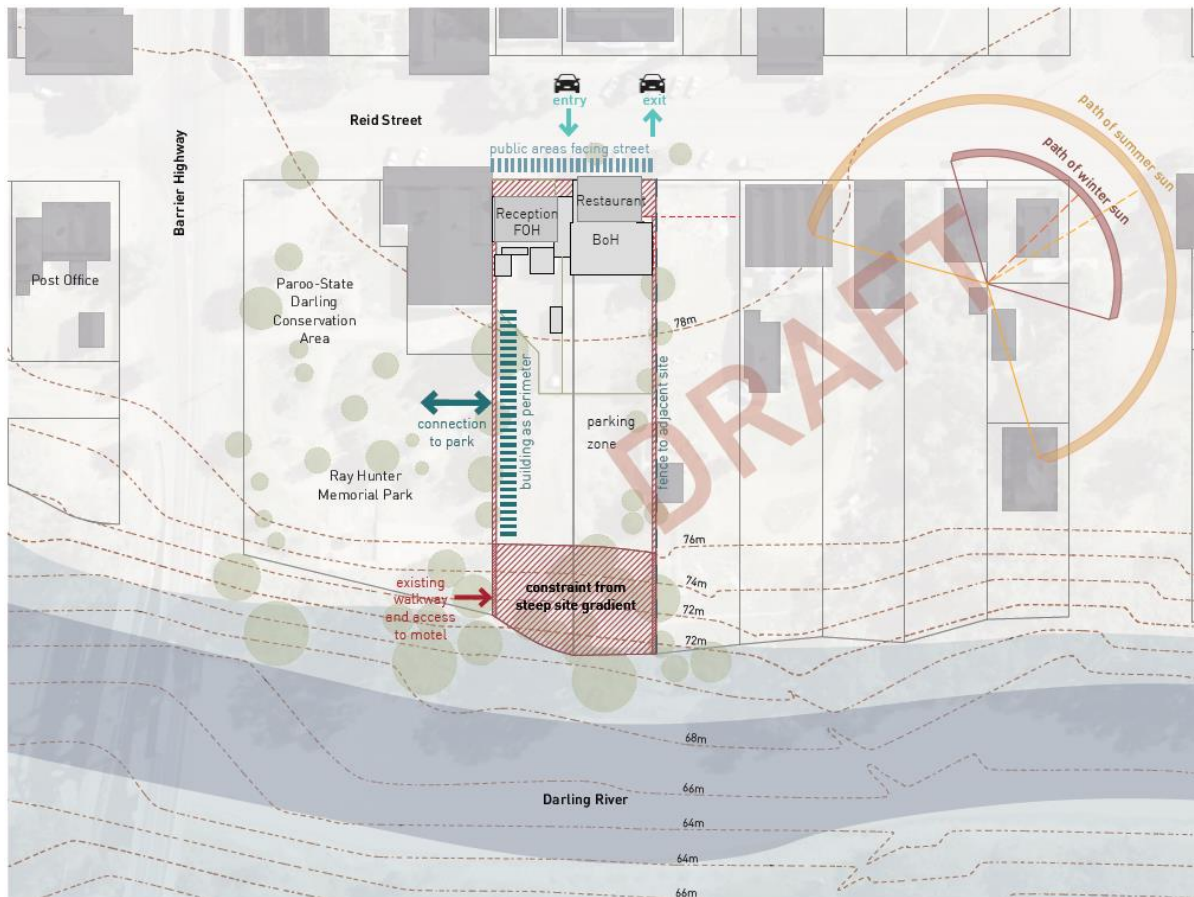
**Figure 5: the location of the proposed motel in Wilcannia**



Source: *Feasibility and concept design Report 2023*

The site plan is mainly designed to accommodate parking and provide easy access from Reid Street. The existing buildings will be utilised as public spaces such as the restaurant/cafe and front of the Motel since they interface with the street. The back of the Motel will be located behind the restaurant/cafe to house the wet areas, kitchen, and services (Figure 6). The motel building will be placed along the perimeter of the site facing the park, which will help reduce the amount of fencing required. Additionally, it is situated closer to the flat lands and away from the steep lands where it drops to the bank of the river.

Figure 6: Wilcannia Motel Site Planning

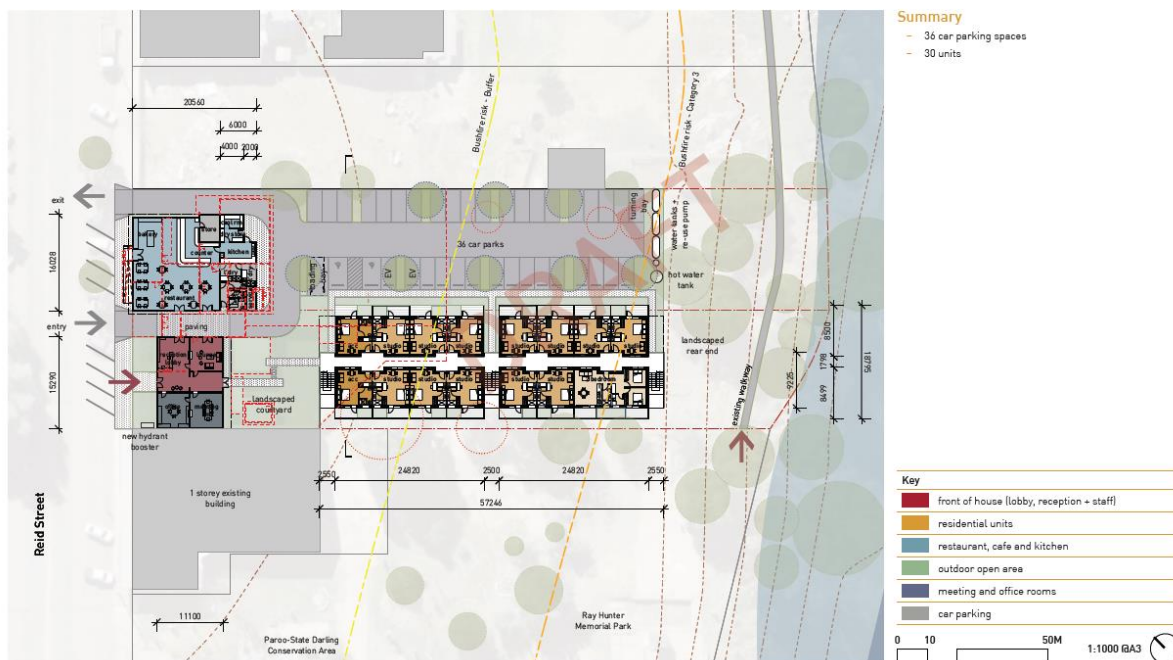


Source: Feasibility and concept design Report 2023

The project concept design for Ground floor and first floor plan is provided in Figure 7.

Figure 7: Concept design

Concept Design  
Ground Floor Plan



First Floor Plan





## 3.6 COST-BENEFIT ANALYSIS

The cost-benefit analysis has been constructed in accordance with NSW Treasury Guidelines TPG23-08 Guide to Cost-Benefit Analysis. The options described in the below have been previously described in section 3.3. It is important to note that the cost estimate is for Site 1 only, as it is the preferred option.

Table 5 summarises the NPV and BCRs calculated for each option assessed in the CBA as calculated over a 20-year timeframe at a 5% discount rate.

**Table 5- Summary of Net Present Values and Benefit Cost Ratios for options considered**

Option	NPV (\$)	BCR
Option 1- Base Case: Do nothing	-	-
Option 2 – build a motel at Site 1	\$8,310,004	1.30

Source: BGA Work Product

### 3.6.1 BASE CASE ASSUMPTIONS

In the base case scenario, there is an option to do nothing, which does not incur any cost but also does not provide any accommodation in the town. However, this option fails to address the limitations faced by the tourism industry in Wilcannia. As a result, economic leakage will persist and the town will be unable to attract more visitors or improve the overall liveability.

### 3.6.2 PROJECT CASE ASSUMPTIONS

The project capital cost data was provided by the Central Darling Shire Council. The project features is used from the Feasibility report. It is assumed that motel will provide 30 units for accommodation in Wilcannia including but not limited to, commercial facilities for visitors, a reception, car park and a restaurant bar, including a long-awaited bakery.

### 3.6.3 COST ASSUMPTIONS

The construction base cost is \$7.1 million. A 40% locality factor and 20% design and construction contingency are added to the base cost, resulting in a total project cost of \$18.5 million during the two-year construction period.

### 3.6.4 BENEFIT ASSUMPTIONS

**Projected Motel Revenue-** The motel is to provide 30 units for accommodation at \$200 per night, comparable to the price of a motel with similar features in regional NSW. As per the Destination NSW Snapshot 2022 report, the occupancy rate in Regional NSW is 63.3%. However, during the stakeholder engagement meeting, the client confirmed that the rate is higher in Wilcannia due to the non-residential workforce's stay requirements. Therefore, in the cost-benefit analysis, an 80% occupancy rate is considered for Wilcannia. To take a conservative approach, it is assumed that one person per night would stay per unit. The revenue from the motel will be generated after the completion of the project, and it is estimated to continue for 18 years, excluding the two-year construction period.

**Labour Surplus-** The motel plans to hire 10 FTE workers to manage its operations. These employees will include a manager, restaurant staff, janitor, receptionist, and bakery staff. In 2022, Wilcannia had an unemployment rate of 7.1%, higher than the 3.4% rate in NSW. According to the Australian Bureau of Statistics (ABS), in 2023, the average weekly income in Wilcannia is \$1,211. The labour productivity value is calculated based on the unemployment rate and the average annual income.

Revenue from Visitor Spending- It is anticipated that the number of overnight visitors to Wilcannia will increase with the availability of better lodging options in the town. To avoid duplication, the cost of lodging is not included in the calculation of nightly expenses. Based on data from Tourism Research Australia, the average amount spent per night by domestic visitors in the Central Darling Shire is \$134 in 2023. This benefit is only factored into the cost-benefit analysis for visitors from outside NSW.

Restaurant and Bakery revenue- The restaurant and bakery services offered by the motel are not exclusive to its residents, and are open to all town residents due to the scarcity of dining options in the evening and fresh bakery products in the area. The projected revenue of these services is included in the CBA. It is assumed that 80% of the motel residents will have breakfast and 50% will have dinner in the motel.

Non-market Benefits- The motel offers meeting and conference rooms, which give the town the chance to attract special events like weddings, conferences, and other gatherings. This helps to create a sense of pride and recognition, as heritage sites are more valuable when they are functional and lively buildings. Residents of the Central Darling Shire are happy to pay for access to these types of events in their area. Additionally, since there are no cafes or bakeries in the vicinity, locals would be willing to pay for access to these amenities, which would improve the town's overall liveability. Therefore, the population of Wilcannia would benefit significantly from these new facilities.

**Table 6: Summary of non-market values used in the cost-benefit analysis**

Value	Group	Source	WTP (2023AUD)	Base Case	Option 1
WTP for existence value of a shop and café in the cultural centre	Wilcannia Local residents, per household, per year	Choi et al (2010)	3.47	-	●
WTP for the existence value of special visitor events in the cultural centre	Central Darling Shire Local residents, per household, per year	Choi et al (2010)	3.31	-	●

Source: BGA Work Product

### 3.7 CBA SUMMARY

The CBA was undertaken over a 20-year time period at a 5% central discount rate and a 3% and 7% sensitivity, as prescribed by the NSW Government Guide to Cost-Benefit Analysis TPG23-08. All costs and benefits in the project case was compared to the base case in order to ensure a common baseline. The preferred option incorporates the benefits of building a 30-unit motel in Wilcannia.

**Table 7: Summary of the Wilcannia Motel CBA by 20-year PV of cost/benefit category at a 5% discount rate relative to the base case**

Cost/Benefit Item	Base Case	Option 1 – Motel Site 1
<b>Costs</b>		
Construction cost	-	\$14,213,743
Operating cost	-	\$10,602,799
Design and Construction Contingency	-	\$3,210,573
<b>Benefits</b>		
Projected Revenue from motel units	-	\$14,698,343
Labour Surplus	-	\$474,052
Domestic Visitors spending	-	\$12,431,849
Projected revenue from motel restaurants	-	\$5,572,831
Bakery revenue	-	\$3,141,877
<b>Non-Market Benefits</b>		
WTP for the existence value of special visitor events in the cultural centre		\$13,180
WTP for the existence value of a shop and café in the centre		\$4,985
Net Benefits	-	\$8,310,004
Benefit Cost Ratio	-	1.30

Source: BGA work product

The analysis shows that the preferred option will provide a net benefit of \$8.3 million with a BCR of 1.30 over a 20-year period, making it a compelling investment compared to the base case without new accommodation. The main benefit of the project will come from the motel revenue, followed by the spending of domestic visitors. This can create an opportunity for the town to grow other businesses and boost economic growth, which is not estimated in the CBA.

The project will employ 10 full-time workers to run the motel. However, the labour surplus only accounts for the direct jobs created by the motel and does not include the indirect jobs that will be generated through the increase in the number of tourists choosing to spend the night in the Shire. Assuming that 10 FTE jobs will be created due to the project, this would yield a benefit of \$44,710 per year, with an NPV of \$475k over 20 years, provided that those people would otherwise be unemployed or are paid at minimum wage.

### 3.7.1 SENSITIVITY TESTING

In accordance with NSW Treasury Guidelines, the BCR was tested at alternative discount rates of 3% and 7% in order to assess the impact of the timing of cost and benefits streams. As shown in Table 8, the BCR is insensitive to changes in the discount rate.

**Table 8: Sensitivity test of the BCR and Net Benefits to changes in the discount**

	Discount Rate		
	3%	5%	7%
Preferred Option			
Net Benefits	\$13,627,703	\$8,310,004	\$4,293,248
BCR	1.44	1.30	1.17

Source: BGA work product.

It is crucial to conduct a sensitivity analysis for the motel revenue. This analysis aims to assess the project viability concerning the main benefits, which come from unit rates, restaurant, and bakery revenue. The sensitivity test will evaluate the lower income streams, assuming a 10%, 30%, and 50% decrease in all income components as compared to the expected revenue.

**Table 9: Sensitivity test of the BCR and Net Benefits to changes in the projected motel income**

Preferred Option	Projected Income		
	10% lower	30% lower	50% lower
Net Benefits	\$6,247,340	\$2,122,013	(\$2,003,314)
BCR	1.22	1.08	0.93

Source: BGA work product

Based on the results of the income sensitivity test (Table 9), the project appears to be viable even if the revenue is 10% to 30% lower than expected. In a worst-case scenario where only 50% of the revenue is achieved, the project may still break even with a benefit-cost ratio close to one. However, it is highly unlikely that the motel's revenue will experience a decrease of more than 10% due to its essentiality in the region.

The amount spent by visitors has a significant effect on the NPV of the project. As a result, a sensitivity test is carried out to determine the impact of a decreased number of visitors in Wilcannia. The motel is expected to be occupied for 80% of the year, translating to 8,760 room nights. The analysis aims to evaluate the project's viability in light of a potential reduction in occupancy rates.

**Table 10: Sensitivity test of the BCR and Net Benefits to changes in the projected visitors**

Preferred Option	Central estimate	Projected number of visitors		
		10% lower (7,884 room night)	30% lower (6,132 room night)	50% lower (4,380 room night)
Net Benefits	\$8,310,004	\$6,509,536	\$2,908,600	(\$3,166,530)
BCR	1.30	1.23	1.10	0.88

Source: BGA work product

Table 10's spending sensitivity test indicates that the project remains viable even with 10% and 30% lower occupancy rates. However, in the unlikely event that only 50% of the units are occupied in a year, the BCR would be below one. It's important to note that such a scenario is highly improbable since the motel's booking demand is essential in the region, and a decrease of more than 10% is unlikely to occur.

### 3.7.2 DISTRIBUTIONAL ANALYSIS

The Wilcannia Accommodation project is expected to benefit different groups, including the Wilcannia residents, broader community, and the government/Council. However, examining the distribution of costs and benefits to these groups is essential to understand how the project may impact them differently.

**Table 11: Distributional Analysis**

Category	Comments
Wilcannia residents	Both existing and future population
Broader Community	Residents of the Central Darling Shire, NSW and interstate/international visitors
Government	NSW Government/ Council

Source: BGA work product

#### Wilcannia Residents

The new Wilcannia accommodation will provide the local residents with access to restaurant and bakery services. Currently, there is only one grocer in Wilcannia and no fresh bakeries. The addition of this facility will help address the community's needs by offering basic essential goods.



### Broader Community

The project aims to increase the availability of accommodation for visitors, which could encourage them to stay overnight in Wilcannia and boost the local economy. Additionally, having facilities for special events and conferences could benefit the residents of Central Darling Shire, allowing them to organise cultural and other events in the region. This would also create an opportunity for hosting weddings and art events in the area.

### Government

The council owns the accommodation, and revenue from the motel helps fund community services. Additionally, attracting more visitors and residents to the area could improve the liveability of the town.

**Table 12: Distributional Analysis by costs and benefits**

CBA results (present value at 5% discount rate)	Wilcannia accommodation- Site 1
Incremental costs (\$m)	\$28.0
Capital Costs	\$17.4
Maintenance and Operational Costs	\$10.6
Incremental Benefits (\$m)	\$36.3
Accommodation revenue (Motel, Restaurant, Bakery)	\$23.4
Visitor's spending	\$12.4
Labour surplus	\$0.4
Non-market benefits	\$0.018

Source: BGA work product

**Table 13: Distributional Analysis by stakeholders**

CBA results (present value at 5% discount rate)	Wilcannia accommodation- Site 1
Incremental costs (\$m)	\$28.0
NSW State	\$28.0
Incremental Benefits (\$m)	\$36.3
Wilcannia Residents	\$9.2
Broader Community	\$12.4
Government	\$14.6

Source: BGA work product

As per the distributional analysis for different stakeholders the main beneficiary is the NSW Government/council. The second highest beneficiary are the broader community to receive \$12.4 benefits approximately over the analysis period. Assuming that the revenue from the bakery and restaurant will benefit the community, both facilities will serve residents of Wilcannia either.

## 3.8 FINANCIAL APPRAISAL

Capital Expenditure for the preferred option is estimated by Dunn & Hillam Architects at \$18,499,014 over 2 years. Details of this assessment are included in Appendix 2.

## 3.9 PROPOSED FUNDING ARRANGEMENTS

The project case would be funded by the NSW Government and it is expected that the project would be implemented over a two-year period.

**Table 14: Proposed capital funding contributions (\$)**

Stage	2023-24	2024-25	2025-26	2026-27	2027-28	Remaining Years	Total
Proposal capital costs		18,499,014					18,499,014
Funding sources							
NSW Government (subject of this request)		18,499,014					18,499,014
Council contributions							
Industry contributions							
Community contributions							
Sub-total		18,499,014					18,499,014

### 3.10 FINANCIAL HEALTH & SUPPORT

The principal proponent for this proposal is the Central Darling Shire Council. Given that the Central Darling Shire Council (CDSC) does not have the available funds to finance the project and receive reimbursement from the NSW Government as part of a successful bid to have it financed, it is envisioned that arrangements to allow the CDSC to draw funds from the NSW Government as needed will be required. The proponent and the project partners are open to the precise arrangements of this vehicle and nominate Public Works Advisory as a potential body through which funds can be drawn on with the appropriate oversight and construction management expertise.

The annual report containing the financial statements for the past three years of Central Darling Shire Council are contained in Appendix.

## 4 IMPLEMENTATION CASE

### 4.1 PROGRAM & MILESTONES

As the project must go through a period of community consultation and detailed design a full program of milestones cannot be developed for this business case. However, Table 15 describes the notional key events during the design, procurement, build and commissioning phases of the project. These are subject to change once the full project scope and tender document has been prepared.

It is envisioned that the project may require supplementary assistance from the NSW Government, such as project management assistance or guidance from Public Works Advisory to ensure that all milestones are met and that sufficient transparency and accountability over procurement and management is upheld.

**Table 15: Wilcannia Accommodation Project Key events**

Event	Start	Finish
Planning and Detailed Design – 12 Months	January 2024	December 2024
Approvals – 6 Months	February 2025	September 2025
Procurement – 3 Months	October 2025	December 2025
Development and Construction – 15 Months	January 2026	March 2027
Commissioning and staff training – 2 Months	April 2027	June 2027
Operation	August 2027	

Source: BGA Work Product

### 4.2 GOVERNANCE

The Central Darling Shire Council will lead the project's governance body, while ensuring that the project manager has the necessary direction and resources for its completion. The day-to-day management of the project will be carried out by the Project Control Group, which is overseen by the Council. Discussion with all parties involved in the project has identified a potential role for the NSW Public Works Advisory (PWA) in project management and governance. All parties agree that this approach would benefit the project delivery, and negotiations for funding would be required to formalise such an arrangement.

#### 4.2.1 PROPOSAL PERSONNEL

The proposal proponents, the Central Darling Shire Council, will be represented through the Wilcannia Accommodation project control group.

#### 4.2.2 KEY STAKEHOLDERS

The key community stakeholders are the general population of Wilcannia and the Central Darling Shire. Members of the business community, such as key beneficiaries of the flow-on effects of the Project, are also considered important stakeholders.

#### 4.2.3 INTERFACES WITH GOVERNMENT AGENCIES

It is envisioned that the project will require a level of government oversight and management assistance in order to facilitate the disbursement of funds from the NSW Government to the proponent and the project partners. The project partners are open to negotiations regarding the precise nature of this arrangement, but nominate that Public Works Advisory is an appropriate NSW Government body with the expertise to facilitate funding and other management activities.

The Central Darling Shire Council is the primary government agency with the authority to approve the project, subject to a successful Development Application. The Department of Premier and Cabinet, as the Project grantor, will be informed of its progress primarily through the Business Development Manager of the Central and Far West. If the NSW Government nominates Public Works Advisory to be the primary interface between the project and the government, then the proponent and project partners would welcome that arrangement.

#### 4.2.4 INTERFACES WITH CONTRACTORS

Various contractors may be required on an as-needed basis to ensure that the decisions made during the course of construction are performed with the best advice. These include:

- Architect
- Other Design Consultants

These will be required to advise the Wilcannia Accommodation Project Control Group with regard to decisions such as incorporating community feedback into the final design, choices of materials for procurement, and ensuring that the construction of the project as far as possible makes the most use of local labour, and provides the greatest possible opportunity to generate training outcomes.

The Central Darling Shire Council the Project Manager will collaborate to ensure that the advice of these consultants follow through in the Project execution.

### 4.3 KEY RISKS

In assessing the project risks a standard risk matrix was developed and adapted to suit the Business Case template.

The definition of the consequence of an event was determined as follows:

Insignificant: - Risk is easily mitigated by normal day to day management

Minor: - Delays of up to 10% of Schedule or an additional cost of up to 10% of the budget

Moderate: - Delays of up to 30% of schedule or an additional cost of up to 30% Of the budget

Major: - Delays of up to 50% of schedule or an additional cost of up to 50% Of the

Catastrophic: - Project Abandoned

The definition of Likelihood was defined as follows:

Rare: - less than 3% Chance

Unlikely: - 3% - 10% Chance

Moderate: - 10% - 50% Chance

Likely: - 50% - 90% Chance

Certain: - >90% Chance

Consultation with the key stakeholders was conducted to identify the project risks, and the following risk table has been developed.

**Table 16: Key proposal risks**

Risk	Proposed mitigation	Risk rating after mitigation		
		Consequence	Likelihood	Rating
<b>SCOPE RISK</b>				
Professional Project Management being unavailable for the project	Go to tender for the management of build component of the project	Insignificant	Unlikely	Low

Poorly defined scope	Project Scope and tender documents to be professionally prepared, conforming with Industry standards	Insignificant	Unlikely	Low
<b>CONSTRUCTION</b>				
Safety	Project Scope to define safety requirements that meet industry standards and be regularly reported	Insignificant	Unlikely	Low
Unknown site conditions	The feasibility study report has assessed the preferred site according to the conditions.	Minor	Unlikely	Low
Availability of trades	Successful Project Management company to recruit and train local residents in preference to importing labour.	Moderate	Moderate	High
Weather delays	A contingency for weather delays will be allowed for in the project scope	Minor	Unlikely	Low
Site Security	Awareness of issues and security measures to be undertaken during the project	Minor	Unlikely	Low
<b>FINANCING</b>				
Project does not secure State	Look for alternate funding sources	Catastrophic	Moderate	Extreme
Financial sustainability in the first two years of operation	Operational options to be explored during the consultation phase of the project.	Minor	Moderate	Moderate
<b>PLANNING AND APPROVALS</b>				
Government approvals for the build delay the project	Provide for extensive communication with key approval stakeholders	Moderate	Moderate	High
<b>UTILITY RELOCATION</b>				
Unexpected utility relocation	Geotechnical and Engineering assessment to be completed survey to be conducted.	Minor	Unlikely	Low
<b>PROCUREMENT</b>				
Poorly written contracts	CDSC to use the NSW Government procurement process and seek funding to prepare the project scope and tender document	Minor	Unlikely	Low
Difficulty in the procurement of materials	CDSC to go to tender for the procurement of materials for the project with defined supply chains	Unlikely	Minor	Low

Quality of construction materials due to location or availability	CDSC to go to tender for the procurement of materials for the project with defined supply chains	Unlikely	Minor	Low
Unexpected increases in material costs	CDSC to go to tender for the procurement of fixed price materials for the project with defined supply chains	Unlikely	Minor	Low
<b>SUSTAINABILITY</b>				
Operational staffing	Operational options to be explored during the consultation phase of the project.	Minor	Moderate	Moderate

## 4.4 LEGISLATIVE, REGULATORY ISSUES & APPROVALS

A standard Development Application to the Central Darling Shire Council will be submitted as part of the planning and approvals process for the Wilcannia Accommodation. Since the Council is a partner in the project's construction and has already identified that it aligns with their goals, it is anticipated that this will be approved.

The development will also require a Section 60 application to the Heritage Council of the Office of Environment and Heritage under the Heritage Act 1977. Due to the derelict nature of the site and the sensitivity of the design to the remaining heritage structures, it is expected that this will be approved.

## 4.5 PROPOSED MANAGEMENT ACTIVITIES

### 4.5.1 RISK MANAGEMENT

Table 16 (Section 4.3) above sets out the foreseen project risks and describes appropriate risk mitigation strategies to manage and avoid them. These risks were identified through a risk identification and mitigation workshop and ongoing consultation between the key actors of the project, including the Central Darling Shire Council, and Balmoral Group Australia. It is expected that other unforeseen risks may emerge during the public consultation stage, and these will be captured and managed similarly as the project progresses.

Wilcannia Accommodation Project Control Group will meet regularly one every three months to report on progress and monitor against the risks as described in Table 16.

### 4.5.2 ASSET MANAGEMENT & OPERATIONS

The Wilcannia Accommodation is owned by CDSC. The council will manage and lease the asset after construction.

## 5 APPENDIX: SOCIOECONOMIC PROFILE

### 5.1 Overview

Centred in the heart of the Central Darling Shire in North Western New South Wales, Wilcannia spans approximately 19,844 square kilometres and is a thriving town with potential for significant future expansion. As of the 2021 census, there were 735 people residing in the town, accounting for approximately 57% of the entire Central Darling Shire population. In essence, Wilcannia has a majority Aboriginal and Torres Strait Islander community, representing the traditional tribal area of the Barkindji people (People of the river), and accounting for approximately 63.8% of the total population. In addition, Wilcannia's subsequent growth has been inspired by its fast-growing youth population, with those aged between 5-14 comprising 20.2% of the total population.

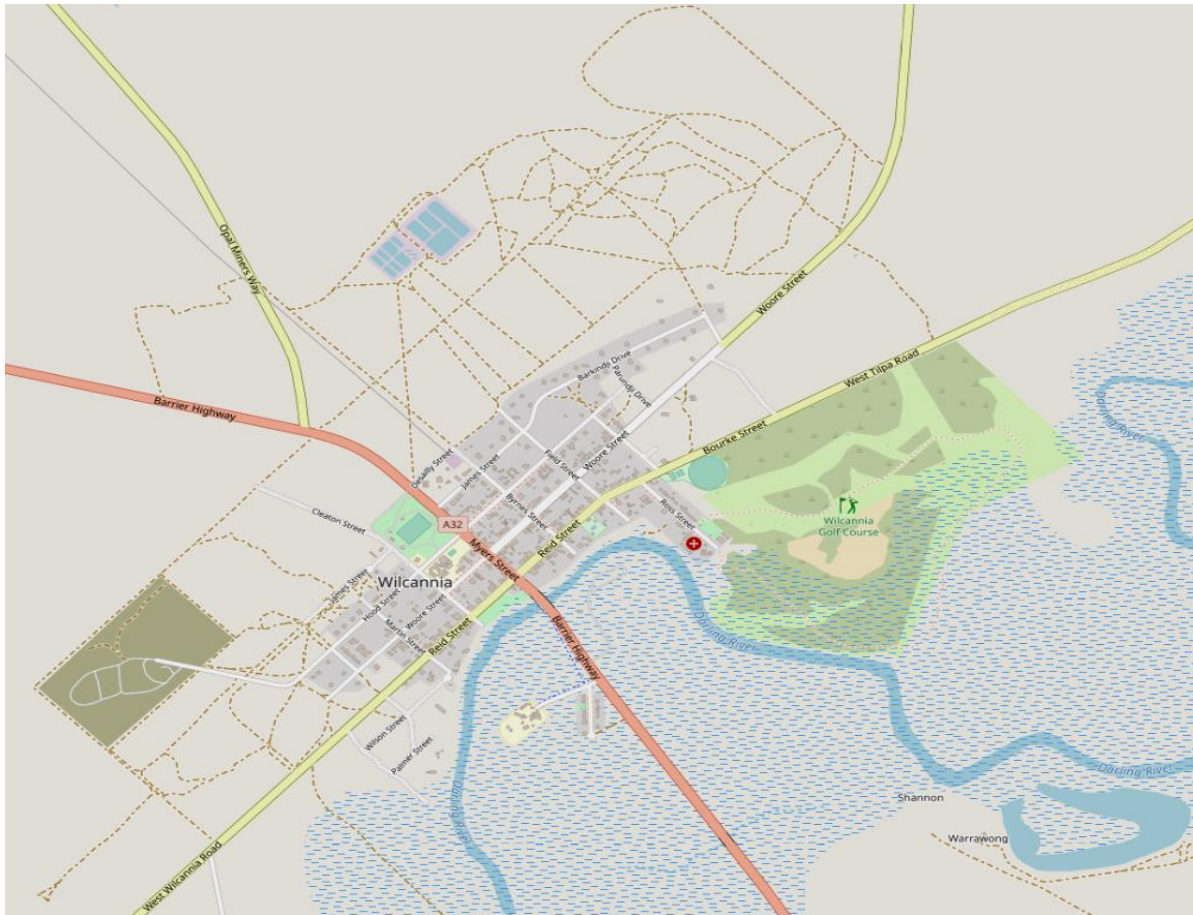
**Figure 8: Surrounding Major Local Government Areas (Geographic District)**



Source: NSW Geospatial Planning Portal

The multi-generational narrative of the Barkindji people of Wilcannia unleashes a space for storytelling, cultural demonstrations, and indigenous artefacts, which appeals to a new tourist demographic. In addition, the increase in the number of visitations for exploration of this historic township is expected to demand increased accommodation, which is a limitation for many tourists. Tourism Research Australia records approximately 98,000 visitors in 2019, with an additional 54,000 recorded as overnight stays. In the coming years, this figure is forecasted to grow significantly, with Aboriginal cultural tourism being a key driver to this growth, also in accordance with the 2025 Central Darling Shire Tourism Action Plan.

Figure 9: Map of Wilcannia



Source: BGA Work product, QGIS

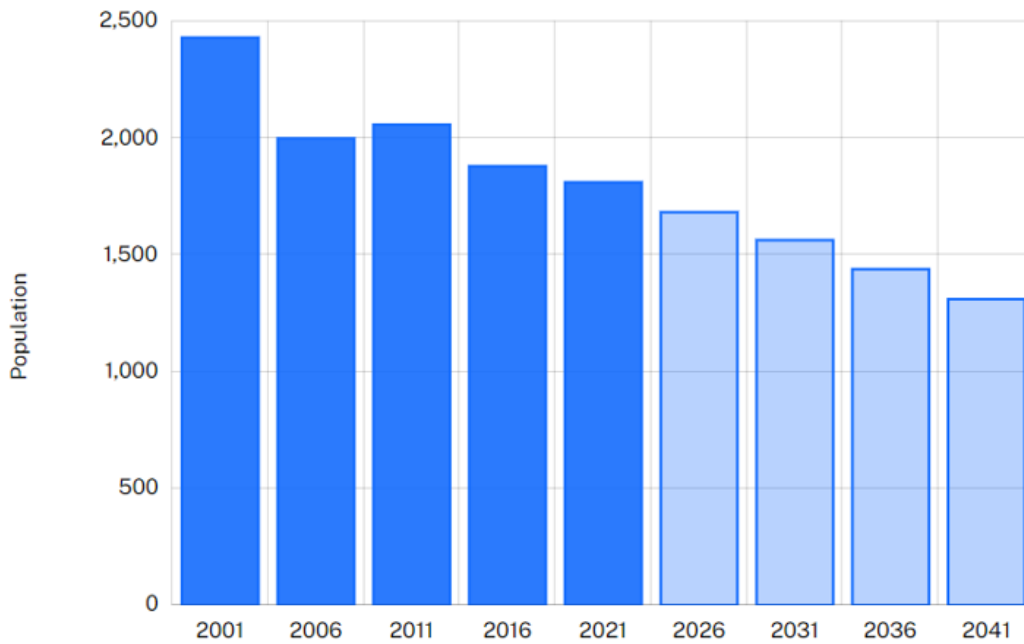
The Central Darling Shire region is experiencing significant growth and investment in agricultural and infrastructure activity, which will likely attract more interstate migration for work opportunities. This could lead to an increased demand for hotel and accommodation services. The Central Darling Shire Long-term Community Strategic Plan is also expected to bring about new employment opportunities through new infrastructure work, resulting in a surge of workforce participants across the region. The construction of the BAAKA cultural centre, Pooncarie Road project, and the Victory Park caravan park are projected to stimulate employment and increase job market activity in the region. Consequently, there will be a need for reliable overnight accommodation, which is expected to trigger growth in the hospitality industry.

## 5.2 Population

The population represents the total count of residents within a geographic location. Figure 10 explores the historical and projected changes to the Central Darling Shire population from 2001-2021, and the projected range between 2026 and 2041, respectively. Between 2006 and 2011, the region experienced a steady increase in its resident population, before declining approximately 2.7% between 2016 and 2021. In addition, higher levels of interstate migration due to fewer job opportunities may potentially be responsible for the region's declining population. According to the Department of Planning, this decline will continue over the next 20 years until 2041. However, it is important to note that these population projections should be treated conventionally given the estimates project changes across the Central Darling Shire region and not specifically Wilcannia. Compared to these projections, the NSW region is expected to grow by 1.7 million people (21%) over the same period.



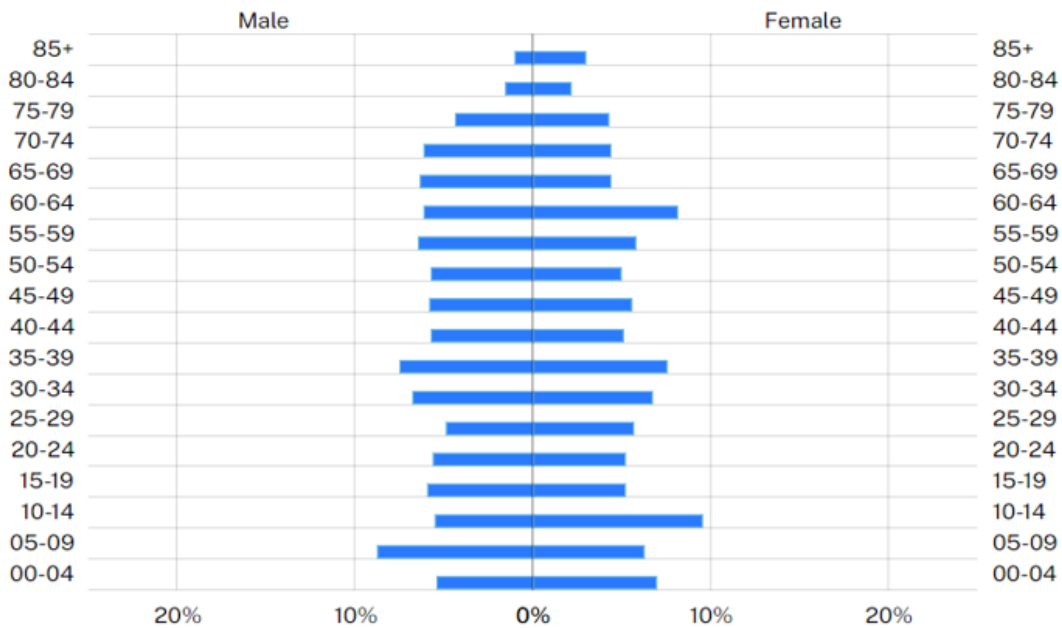
**Figure 10: Historical and Projected Population Change**



Source: Department of Planning

When it comes to planning for a community, it's important to have a good grasp of the age structure of the population. Figure 11's population pyramid visually represents the distribution of age and gender, with a top-heavy shape indicating an aging population. Looking at the data for 2021, there don't appear to be any changes in the younger age groups, but there is a noticeable increase in the older age groups. Furthermore, both genders are almost equally represented across the different age brackets.

**Figure 11: Projected Population by Age**

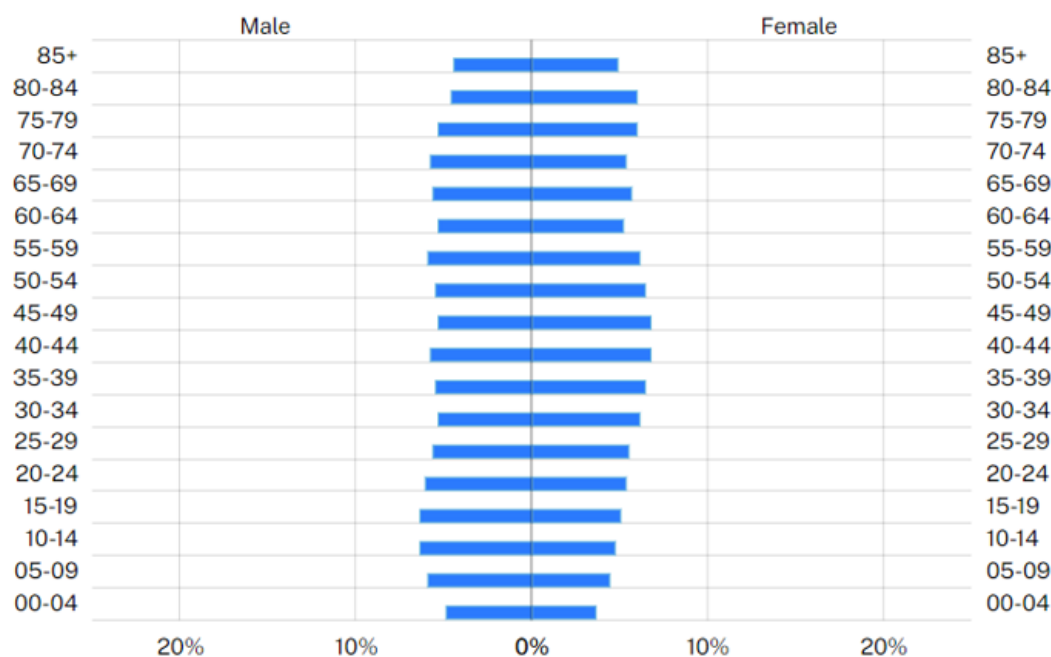


Source: Department of Planning

The population distribution by gender and age is shown in Figure 12 below. The Central Darling Shire region is expected to witness a decline in younger age groups and a rise in older age groups by 2041.

This phenomenon could be due to an increase in interstate migration among younger people seeking job or educational opportunities that are not available locally. In contrast, older individuals are more likely to adhere to traditional and cultural practices that align with the surrounding townships' reputation. Males generally outnumber females in younger age groups, but the projections indicate a more balanced gender distribution in approximately three decades.

Figure 12: Projected Population by Age



Source: Department of Planning

### 5.3 Demographics

Table 1 below summarises the population of Wilcannia by indigenous status. The number of Aboriginal and Torres Strait Islander people comprised the largest cohort, equating 51.4% of the local population. This is followed by 192 people of non-indigenous status, accounting for 26.1% of the population, and a non-stated indigenous population of 22.4%. Overall, it is important to note that surveying may be increasingly difficult due to isolation and dispersion, thus potentially undermining the actual count of the indigenous population across Wilcannia.

Table 17: Indigenous status as a proportion of the total population

Indigenous Status	Wilcannia	% of Wilcannia	NSW	% of NSW
<b>Aboriginal and/or Torres Strait Islander</b>	378	51.4%	278,043	3.4%
<b>Non-Indigenous</b>	192	26.1%	7,404,499	91.7%
<b>Indigenous status not stated</b>	165	22.4%	389,616	4.8%

Source: Australian Business Statistics 2021

### 5.4 Socio-Economic Indexes for Areas (SEIFA)

The ABS score all Local Government Areas (LGA) in Australia according to relative socio-economic advantage and disadvantage, based on information from the national census. The Index of Relative Socio-Economic Disadvantage (IRSD), summarises information about the economic and social conditions of people and households within an area. According to the 2021 national census, Wilcannia

was ranked 26<sup>th</sup> for the index of Relative Socio-economic Disadvantage within the state, and 243<sup>rd</sup> within Australia. This indicates high relative socio-economic disadvantage, and some of the variables considered in the estimation include but are not limited to, low-income households, the unemployment rate, educational attainment, one-parent families, internet accessibility, and overall living conditions.

## 5.5 Employment

Employment is calculated using the labour force participation rate, which includes employed people aged 15 and above. Table 18 depicts the labour force participation rate by status in Wilcannia as a percentage of the total population. The number of people employed accounted for 34.3% of the total population. Meanwhile, those that are unemployed or actively seeking work comprised 42% of the total population, which can potentially allude to the limited job opportunities available and growth in the ageing population with an increased number of retirees.

**Table 18: Status of labour force participation**

Labour Force Status	Wilcannia	% of the Total Population
<b>In the Labour Force</b>	196	34.3%
<b>Not in the Labour Force</b>	240	42%
<b>Not Stated</b>	138	24.1%

Source: ABS 2021

## 5.6 Industry of Employment

Table 19 summarises top employment responses by industry in Wilcannia as a percent of the total population. Local Government Administration was most popular, accounting for 10% of the employed population, with Sheep Farming second at 9.4%, followed by Education at 6.7%.

**Table 19: Employment by Industry**

Industry	Wilcannia	% of the Total Population
<b>Local Government Administration</b>	18	10%
<b>Sheep Farming</b>	17	9.4%
<b>Combined Primary and Secondary Education</b>	12	6.7%
<b>Primary Education</b>	10	5.6%
<b>Sheep-Beef Cattle Farming</b>	8	4.4%

Source: ABS 2021

## 5.7 Income

Income is collected in ranges, and calculated using information from the Survey of Income and Housing excluding those aged below 15. Table 20 summarises median weekly household income in Wilcannia by household status.

**Table 20: Median Weekly Household Income**

Median Weekly Income	Wilcannia
<b>Personal</b>	\$524
<b>Family</b>	\$1,072
<b>Household</b>	\$1,211

Source: ABS 2021

## 5.8 Education

Education represents the level of educational attainment for people aged 15 and over. Table 21 summarises educational attainment by the level of qualification according to institutional standards in Wilcannia as a percentage of the total population. From the High school cohort, those that attended year nine and below accounted for 22.6% of the population, with 6.5% completing year 12. This can potentially allude to the larger number of people obtaining a certificate 3 (9.3%), with differing educational preferences. Meanwhile, those that obtained a bachelor's degree accounted for 8.7% of the population and was the most popular pursuit from higher education pathways.

**Table 21: Highest Level of Educational Attainment**

Level of Education	Wilcannia	% of Total Population
<b>Bachelors Degree</b>	50	8.7%
<b>Advanced Diploma</b>	26	4.5%
<b>Certificate IV</b>	10	1.7%
<b>Certificate III</b>	53	9.3%
<b>Year 12</b>	37	6.5%
<b>Year 11</b>	24	4.2%
<b>Year 10</b>	78	13.6%
<b>Certificate II</b>	Null	Null
<b>Certificate I</b>	Null	Null
<b>Year 9 or Below</b>	128	22.4%
<b>Inadequately Described</b>	3	0.5%
<b>No Educational Attainment</b>	7	1.2%
<b>Not Stated</b>	159	27.8%

Source: ABS 2021

## 5.9 Dwellings

Information on dwellings including property value can provide insights into the availability of vacancies compared to demand in the region. Table 22 below derives the mean property price across Wilcannia for each year spanning between 2016 and 2022. General housing figures portray that overall demand for vacancies has risen in the region commensurate with changes to population and tourism, with the value of property increasing by 63.5% until 2022. The low interest rate environment coupled with easing restrictions after 2020 witnessed a rising number of home purchases and overseas visitations which have consequently reduced the number of available vacancies to date. Meanwhile, there has been a substantial decline in value of rural housing potentially alluding to the town's urbanization and urge to become a more centralized region. This can be explained by the disadvantages associated with isolated residences, including restricted mobility. Further, it is important to note that properties may differ in characteristics by size, dwelling type, location, and hence may vary substantially in value.

Table 22: Mean property price by dwelling type (2016-2022)

Dwelling type	2016	2017	2018	2019	2020	2021	2022	% Change
House	-	\$44,833	\$48,000	\$80,000	\$24,222	\$89,707	\$123,000	63.5%
House (One-Story)	\$55,000	-	-	-	-	\$75,000	-	26%
House (Rural) 000'	-	\$8,375	-	-	\$1,623	-	\$5,000	(67.5%)

Source: BGA Work product

## 5.10 Tourism

Tourism Research Australia 2019 provides data on international visitor survey across Local Government Areas. The data is averaged every 4 years, with the last report recorded in 2019. Table 23 below summarises tourism data for the Central Darling Shire local government area. In 2019, there were 98,000 visitors of which 70,000 were overnight stays. On average, the expected spend per trip was \$271 with expenditure for hotel and accommodation at \$189 per night.

Table 23: Four-year average Tourism statistics (2016-2019)

	Domestic Overnight	Total
Visitors ('000)	70	98
Nights ('000)	150	152
Average Nights	2	2
Expenditure (M)	\$19	Null
Spend Per Trip	\$271	Null
Spend Per Night	\$126	Null
Spend Per Night/Accommodation	\$189	Null

Source: Tourism Research Australia, 2019

With the construction of the Baaka Cultural Centre and the ongoing development of tourist attractions, the number of visitors is projected to increase. In addition, the 2025 Murray Darling Shire strategic plan and the Broken Hill Economic Development strategy, emphasise the shift toward creating a vibrant national heritage town, expected to draw in more domestic and international visitors for cultural exploration, likely to place increased pressures on the hospitality industry.

## 5.11 Ongoing and Future Projects

- **Wilcannia Weir Replacement Project:** This upgrade is an NSW government priority water infrastructure project expected to provide long-term reliable water supply for the town residents, and enhance the town's social, economic, and environmental outcomes.
- **BAAKA Cultural Centre:** The \$5.57 million upgrade is a regionally significant project, vital to the town's long-term tourism objectives. The centre will accommodate a range of activities including exhibitions, cultural performances, training and events. The additional information centre on site is expected to accommodate tourists and provide extra facilities for the local community.
- **Victory Park Caravan Park upgrade:** The project has received a successful grant of \$489,665 from the Department of Environment and Planning and is expected to fund on-site upgrades for improved accessibility including bathrooms, showers, footpaths and stormwater drainage.

## Reference List:

<https://www.planningportal.nsw.gov.au/populations>

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