



**MEDIA RELEASE: 9 June 2011**

**Central West Rural Financial Counselling Service cuts  
to affect rural communities across 60% of NSW**

At a time when rural NSW is still recovering from years of drought, devastating summer floods and 2011 winter cropping activities are under threat, the Rural Financial Counselling Service NSW Central West Inc. (RFCS-CW) is announcing cost-cutting measures in response to an \$800,000 shortfall in funding for the new financial year.

Like other rural financial counselling service providers across Australia, RFCS-CW provides free, impartial and confidential financial counselling to farmers, fishers and agriculture-dependent small businesses. Historically, it has been funded by the Federal and State Governments.

The 15 Rural Financial Counsellors (RFCs) employed by RFCS-CW cover about 60% of NSW, supported by 12 part-time administrative staff. The case load in the Central West is the highest in the country, increasing by 34% over the past 12 months to 1,190 clients.

RFCS-CW chief executive officer, Jeff Caldbeck said the recent increase in client cases is a clear indication of the need for the service in rural and regional NSW.

“Despite a commitment from the Federal Government to the tune of \$1.7 million (GST exclusive) a year, our budget shortfall will severely impact on our ability to service the existing case load and we’ll effectively have to reduce it by approximately 400 clients,” he said.

The 2011-12 budget deficit is the result of not being able to draw down on unspent surplus Federal Government funds from previous years, gained through administrative efficiencies; no further income from special grants funding; and the inability to account for a State Government contribution to the service.

Over the past three financial years, the State Government has contributed \$318,000 a year. The NSW budget is not due to be handed down until September.

“We would be keen to see a pre-budget announcement made by the NSW Government, preferably by 30 June, assuring us of their ongoing commitment to Rural Financial Counselling Services. This would allow us to give clients and staff some certainty beyond 30 June,” said Mr Caldbeck.

“At present, we have to proceed into the new financial year on the basis that the State contribution will not be part of our budget, which means there has to be significant cuts to the service we’re currently providing.”

From 1 July, the RFCS-CW will be not renewing all 12 part-time Administrative Service Officer positions (the equivalent of more than five full-time jobs). It will close the Gilgandra office, and reduce the hours of the Walgett and Parkes RFCs to eight days a fortnight on three month contracts, and a Dubbo and Buronga RFCs to nine days a fortnight.

Staff were yesterday notified of the cost-cutting measures. Other RFCS-CW stakeholders and the communities affected are being notified today.

Mr Caldbeck said a late budgeting development allowing it to draw down on the State Government component of its surplus funds has given the service a \$30,000 “life-line” for the first quarter of 2011-12. However, this has only saved two RFC offices from being axed for the coming three months; instead they will be run on a part-time basis until 30 September.

**ENDS.**

**MEDIA CONFERENCE: Thursday, 9 June, 10.00am**  
**RFCS-CW Regional Office, First Floor, Suite 1, 62 Wingewarra St, Dubbo**

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