

## **Agricultural Competitiveness Green Paper Submission**

### **Date submitted**

12/12/2014

### **Name of Organisation/Individual**

Martin Stone

### **What are the top policies from the Green Paper that the Government should focus on in the White Paper and why?**

### **What policies from the Green Paper don't you support and why?**

Comment

Tasmanian Irrigations North Esk proposal is of little benefit .

TO WHOM IT MAY CONCERN

#### SUMMARY

Tasmanian Irrigation proposal for a North Esk scheme gives very limited regional benefit.  
with a marginal increase in production.

Therefore the Federal Government should not subsidise

the North Esk irrigation Scheme, for the water supplied will cost the taxpayer

\$4500 per megalitre (capital cost) and \$217 per megalitre ANNUAL interest (at 5.0%)

#### PER MEGALITRE

Govt. Owner. Total

Capital. . \$4500. \$1500. \$6000

Interest/year \$225. \$75. \$300/yr

Operating. \$0. \$50. \$50/yr

The economic value of this small scheme is so very limited, with the water supplied by this proposal available to a mixed bunch of hobby farmers and a few larger farmers.

The proposal is in reality a large subsidy to a handful of farmers.

The prospectus exaggerates the benefits to the region, (EG 43 new permanent jobs!)

The majority of the land within the irrigable area of 16,545 hectares is unsuited to cropping.

There is only a very limited area that would be classed as highly productive.

#### LIMITED COMMUNITY BENEFIT

The potential for the expansion of cropping enterprises is limited by availability of growing contracts, area of suitable soils and difficult topography.

There are few full time farmers, within the irrigable area, and most employ few if any staff.

Most landowners within the irrigable area do not rely on their holdings for their main income, as most are hobby farmers. However there are a few larger farms, with the 4 south of Evandale having access to the South Esk or on farm storage.

#### OTHER WATER IS AVAILABLE

Most of the full time farmers already have access to water, and Milford scheme water has always been available to those with riparian boundaries with the South Esk.

This is a very large gift to a small number of farmers, with a small area to irrigate.

it won't create many permanent jobs, if any.

there are many alternative sources of water for many

#### LIMITED USE OF WATER

The poppy boom has gone, the majority of the area is unsuited to vineyards or vegetable production or dairy conversion.

The future of the vegetable industry is very uncertain due to high Australian wages.

Most processors have moved their production overseas (particularly to NZ)

The future of the Poppy industry is also uncertain with 2 of the 3 poppy companies recently moving some production from Tasmania to interstate, and giving strong indications that both will greatly enlarge the interstate poppy crop, which can only negatively influence Tasmanian production.

#### POLITICAL SUPPORT

The local parliamentarians are strongly supportive of all irrigation schemes,

and do not seem to critically assess anything that Tasmanian Irrigation propose.

Tasmanian Irrigation has a vested interested in continuing to dream up new schemes and moving into every corner of the state, for it needs to keep building to keep its bureaucracy.

--

THE NORTH ESK PROPOSAL by Tasmanian Irrigation

Approximately 3150 megalitres

landowner x \$1500 = \$4.2 m

tax-payer. x \$4500 = \$13m at 5% = \$650k. = \$217/ml/yr

--

AN ANALYSIS OF NORTH ESK PROPOSAL:

RELBIA LINE 1. and Line A

Land Ownership: mostly small, many hobby farms, few large holdings

Arable area: <700ha

soils: variable black clays, through to basalt

Alternative water

---

WHITE HILLS LINE 1 and Line A

Land Ownership: mostly small, many hobby farms, few large holdings

Arable area: <225ha

soils: some very marginal area

Alternative water

On Farm Storage

---

LOGAN LINE 1

Land Ownership: 1 or 2 farms

Arable area: <225ha

soils: variable

salinity:

Alternative water

ON FARM DAMS (some already built)

---

TRAFALGAR LINE 1 AND Line A

Land Ownership: hobby farms, the few larger owners have alternative incomes

and already have access to irrigation water

Arable area: <500ha

soils: Variable, poor gravelly soils through to some fertile basalt

salinity:

Alternative water

some farms already access water via South Esk

Milford Dam via South Esk

On Farm Dams

---

EVANDALE Line 1. and Line A

Land Ownership: some small and some larger holdings

Arable area:

soils: variable, duplex clays, heavy black clay,

salinity: present

Alternative water sources

All Farms south of Evandale are currently accessing irrigation water

SOURCES

Milford Dam (Not all water is being used )

South Esk river Direct Take

South Esk Water Traders (Malahide, Everecreech, Cullenswood etc)

on farm storage

**General Comment**