

## Legislative Council Select Committee

### Tasmanian Irrigation

Submission presented by Stuart Greenhill and David Addison, both owners of water rights within the Sassafras and Wesley Vale Irrigation Scheme.

Appreciating that the review by the legislative council is for the future management of water rights and associated assets, there is some information associated with the establishment of the schemes that needs to be brought to the attention of the council committee. The Sassafras and Wesley Vale Irrigation Scheme (SWIS) was the first scheme to be established by Tasmania Irrigation (TI). As members of the SWIS working committee, in the beginning the committee stood alone in attempting to establish an irrigation scheme. Some of the local farmers begun receiving water from the then Cradle Coast Water during off peak period, which then lead to the CCW joining with the SWIS proponents in an endeavour to establish an irrigation scheme. This joint group submitted a plan to the Federal Govt for some funding to establish a scheme and received a grant of \$4million.

CCW worked with SWIS in the endeavour to establish the scheme, but very little was being achieved and in hindsight it is now obvious that the regulations around compliance across several levels of government was too onerous for both the SWIS group and CCW.

When the Tasmanian Government announced the establishment of TI, initially TI believed that the SWIS scheme was in the process of being established, but this was not the case, so TI took over the development of SWIS. Both signatories to this submission were heavily involved in assisting TI through the regulation involved for the scheme to become compliant with all the state and federal regulatory requirements. We became acutely aware that without TI our scheme would have never been developed as nobody had the skills or knowledge required to meet all the required criteria. TI itself did not have the information either, but developed the knowledge required as a consequence of establishing SWIS and this same knowledge then enabled TI to develop further schemes.

Some of the problems being faced by the SWIS irrigation scheme were compliance around water once used by industry being converted to use in agriculture, also compliance around native flora and fauna, burrowing crayfish and the green and gold frog were raised through the EPBC process. Some of these discussions were very robust for all people involved. However, in our opinion these issues were worked through in a very positive way by TI and all parts of the Tasmanian community we believe have been well served and enhanced by the TI construction team.

It is now our belief that without TI, SWIS would never have been built, which would of definitely further eroded confidence after the closure of the Australian paper mill and excess water not being used. Instead we received an irrigation scheme that slowly started to help and rebuild confidence with new industry coming to the area such as Costa's berry operation which had never done business in this area before and now employ substantial amounts of locals in the growing and construction of their operations. It has also enhanced traditional agriculture in the area with probably 90 percent of traditional cropping farmers were limited by water requirements and can now produce more commodities in an area which is lucky to have naturally good and robust soils.

There has also been growth in niche enterprises as well, vineyard plantings have increased and Tas Foods operate a Wasabi growing business neither would have eventuated without scheme water.

The point of advising the legislative council of this information related to scheme establishment is for the council committee to recognise that there is considerable regulation around ongoing scheme management. Without doubt there will be new and more extensive regulation, in particular environmental legislation being developed over time. The point to be acknowledged is that if each scheme was to be independently managed, this component of scheme management would need to have a common base across all the schemes in Tasmania. Failure to do so could lead to schemes being non-compliant. By nature of the farming business being seasonal, the last thing a manager with a water right would need to be managing would be a non-compliance issue regarding the delivery of water. This would inevitably lead to community conflict if water was not available during the peak seasonal demand leading to associated loss of confidence by customers of the irrigators and economic and emotional stresses on the businesses of the irrigators.

Irrigation schemes contain a lot of variables that need to be managed professionally. Within the SWIS scheme, they would include license regulations from the Mersey River, water access plans that put controls around use of water, delivery rights to farmers and these are best managed by a more independent body than self-management. However, it is of the utmost importance that these bodies are very lean in the way they operate so administration, overheads and wastage need to be kept to a minimum.

When expressions of interest were called for water and delivery rights for the SWIS scheme, some community members did not recognise the benefits of the extra water. There are already members of the farming community within the SWIS district that would like to increase their water right, so SWIS will most likely one day like to expand the scheme. Given what we have already presented in this submission, a facility like TI will need to exist to further develop the SWIS scheme and no doubt many other schemes within Tasmania will have similar growth demands.

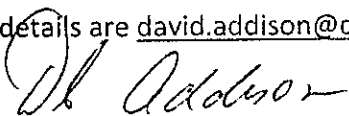
The next point that we wish to bring to the attention of the legislative committee is that during the development of the scheme, in part because we were so closely involved we were advised to realise that all we own is the water right and delivery right. What we now like about that concept is that when we want water we turn the tap on. If there is not any water, we contact TI and it is fixed, not our problem. We go about managing our production and the water is 95% assured and it needs to stay that way. All we should be interested in is receiving the water at a reasonable price. If a review of TI can assist in water right recipients receiving their water at the least possible cost, this would be a good outcome as there have been some considerable increases in the cost of water since the scheme commenced, but we believe it is important to a clear distinction between the operators of the schemes and those that receive the water.

Each scheme has an asset renewal levy charged each year to ensure repairs and maintenance can be adequately supported. Our understanding of TI is that each scheme has their own asset renewal levy and these funds accumulate within TI aligned to individual schemes. In the event that a scheme has a major financial demand for funds because of a system failure, then funds can be utilised across schemes to allow for repairs to be commissioned and the scheme involved repays the loaned funds back to TI and the other schemes over time. If each scheme was to be self-managing then this opportunity would not be available and the funds would be required to be sourced from the local irrigators involved or requesting assistance from Government. We are aware that in WA the Ord River and Carnarvon Irrigation schemes are a considerable burden to the WA Government because there is not any asset renewal levy in place and whenever there is a requirement for repairs to the irrigation assets, then the WA Government is called upon to finance the repairs. The WA Government have made contact with TI because they very much like the model that has been established within Tasmania as opposed to the model WA has in place.

David Addison is a member of the family operated business Addison Farm Produce P/L growing potatoes, onions, carrots, peas, beans, poppies, cereals and livestock at Moriarty and Charlton Farm Produce P/L an onion packing business which supplies Woolworths in Tasmania, Melbourne and Sydney customers and exports to Europe and Asia. Also a director of Ausveg the Peak Industry Body for the potato and vegetable industries and recently becoming a member of the Tasmanian Fruit and Vegetable Export Facilitation Group.

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Signed.




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Signed.



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