



The Ord-East Kimberley Expansion Project

Department of Regional Development | PO Box 630 | Kununurra WA 6743

Mr Warren Entsch
Suite RG60
House of Representatives
Parliament House
Canberra ACT 2600

Dear Warren,

Please find enclosed two videos and a PowerPoint presentation summarising the achievements and progress contributing to the development northern Australia through the expansion of the Ord Irrigation Scheme.

As you know the Ord Irrigation Scheme has operated well below its potential for five decades now. That however does not make it a 'white elephant' as naysayers claim. It has produced product for Australia's domestic markets and for international markets to the value of at least \$100 million per year, thus playing a vital role in the economy of northern Australia. Additionally it has stimulated the vibrant the community of Kununurra with a thriving tourism industry.

Over the past four years \$322.5 million of State funds has been invested to trigger the doubling of the Ord through creation of infrastructure to support irrigation agriculture and to prime future developments.

- \$301 million is capitalised in new infrastructure of roads, irrigation channel, drains and levees.
- \$12.4 million was invested in resourcing and empowering local aboriginal people to become engaged in achieving this. Among other outcomes, aboriginal people will own 680 hectares of the new farming land.
- The balance of funds was used for Project Management needs (approvals, design legal work etc.)

The Australian Government through a National Partnership Agreement invested \$195 million in new and improved social and community infrastructure. The Hon Gary Gray, who is on Joint Select Committee on Northern Australia that you chair, was a driving force behind this, and our region remains indebted to him.

The Project has now evolved as intended to where the private sector will do most of the development over the out years. Through an extensive Request for Proposal and due diligence process, Kimberley Agricultural Investment (KAI) was appointed as the developer, and this has been extensively covered in the Australian media. KAI made an impressive start in 2013 as a new developer to northern Australia. Their work in the Ord as they progress to full development will be the key to demonstrating what is possible in northern Australian. While a sugar cane industry has been stated as their long term goal, their interests are fair more exciting and diverse, the full extent of this will play out in due course.

There are three main things Governments need to do to assist the private sector, be it KAI and/or others, to increase investment in the Ord region.

1. Assist in resolving native title over future lands of development interest in the Northern Territory (NT) as part of expanded Ord Scheme (15,000ha).
2. Increase the storage of Lake Argyle Dam so that the Ord Scheme can irrigate more country. Preliminary design work puts this estimate at \$80 million involving creating a new high spillway wall with no changes required to main dam wall. This work will be needed well before the extra water is needed for irrigation because it is essential to investor confidence to take on development of the NT lands.
3. Build the new bridge over the Ord River at an estimated \$150 million. The Australian Government has invested \$10 million in creating the highway reserve, approvals and design for this.

I hope the videos and PowerPoint is of value to your Joint Committee's important work and that you and your members get the chance to visit the Ord region in 2014. I would like to extend an invitation for you to see firsthand the impact the investment by the Government through the Ord-East Kimberley Development Plan has achieved to date.

Yours sincerely

Peter Stubbs
Acting Executive Director
Economic Development and Diversification

10 February 2014

Encl.

Copy:

- o Senator Sue Boyce MP
- o Senator Alan Eggleston MP
- o Senator Jan McLucas MP
- o Senator Deborah O'Neill MP
- o Senator Rachel Siewert MP
- o Mr George Christensen MP
- o Mrs Natasha Griggs MP
- o Hon Alannah MacTiernan MP
- o Ms Melissa Price MP
- o Hon Warren Snowdon MP
- o Hon Gary Gray AO MP