Fairfield Farming Co Pty Ltd

PO Box 252, Goondiwindi QLD 4390

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Committee Secretary Senate Standing Committees on Rural and Regional Affairs and Transport PO Box 6100 Parliament House Canberra ACT 2600 <u>Rrat.sen@aph.gov.au</u>

Dear Sir/Madam

I write this letter pertaining to the proposal for the export control Amendment (Banning Cotton Exports to Ensure Water Security) Bill 2019.

I represent & own a family irrigation farm in the Northern area of the Murray Darling basin. Our farm is approx 1,450ha in size and I also own water entitlements. Our main choice of crop is irrigated cotton and we aim to grow approx. half the farm to irrigated cotton when water is available.

In drought periods, there are few inflows to the river systems and generally we are not allocated water. At these times very little cotton if any is grown on our farm. At these times, no returns are made from my significant investment in water licenses & losses result in my farming operation. In contrast when plentiful water is available I make profits and save these so that I can get through drought years.

In my opinion, the proposed bill is extremely ill-conceived. This is because, for my farm, **banning cotton will not return any more water to the river. The water entitlements I own, and receive a water allocation from, will simply be used on my farm to irrigate another crop which has not been "banned".** I struggle to see the sense in not allowing farmers to use water resources for their highest and best use.

In my area, the major reason that I choose to grow cotton is because it is the most profitable crop I can grow in this area. Other crops that grow well here are wheat, barley, chickpeas and sorghum. These crops generally do better on a broad scale dryland farming situation. The climate does not lend itself to growing other food crops profitably in this area because of the hot summers and very cold winters and many who have tried in the past have either gone broke and closed before this inevitability. Of course we are always keeping a firm eye on research to find another crop that we could grow focusing on even higher water use efficiency and high profitability.

Export Control Amendment (Banning Cotton Exports to Ensure Water Security) Bill 2019 Submission 2

I would like to implore on you that the major effect of this bill if enacted is that my business will, at best, become less profitable and the more likely scenario is that my small farm would become uneconomic. As a result fewer staff and less money in my local community & town will generate lower economic activity across the board leading to a spiral of lesser and lesser employment in the area. This is both on farms and in the large number of business's that service them in towns. In turn that simply results in migration, of those previously employed on farms and in towns, to cities. And it certainly will result in a dearth of young people in my area. In short it will send our community into decline permanently.

I believe that the biggest misconception is that when irrigation licenses are "bought back", by the say the MDB Authority or the Commonwealth Environmental Holder, then that volume of water is available on a year in year out basis for the environment. In reality, that water is only available if there is an allocation given against that license. An allocation is only given on a license if it has rained and water levels in State owned dams have risen.

We find ourselves today in a situation where it just hasn't rained. There is a huge shortage of water for everyone. Banning a particular crop achieves nothing to change this situation.

Sincerely

Charm Arnott Owner & Director Fairfield Farming Co Pty Ltd