

CHAPTER 4

PROPERTY VALUES, EMPLOYMENT OPPORTUNITIES AND FARM INCOME

4.1 In this chapter the Committee considers the effects of the establishment of wind farms on the values of rural properties. Also included in this chapter is information on employment opportunities presented by the development of the wind industry and the income of landholders who host wind turbines and landholders who live near them.

Property values

4.2 Property values tend to capture people's perceptions of the impacts of rural wind farms, such as noise, visual amenity, biodiversity, fire risk and social cohesion.¹

4.3 Large-scale wind power generation is a relatively new phenomenon in Australia and the effects of the establishment of wind farms on rural property values are not known with any certainty.² For this reason, some witnesses have relied on overseas studies for their submissions on land valuations.

4.4 There is, however, one recent, Australian study that has been cited by a number of witnesses.

4.5 A 'preliminary assessment' report prepared for the NSW Valuer General, which was referred to in a number of submissions, reached several (qualified) conclusions as to the effect of the development of wind farms on property values. The results were qualified because wind farms 'have been developed in locations generally removed from densely populated areas...the small samples of sales transactions available for analysis limited the extent to which conclusions could be drawn'.³

4.6 In brief, the report concluded that:

- Wind farms do not appear to have negatively affected property values in most cases.
- A property's underlying land use may affect the property's sensitivity to price impacts:

1 *An economic assessment of the proposed McHarg Ranges wind farm*, Report by Access Economics Pty Limited for Residents against Turbines of Tooborac, Access Economics, December 2008, p. 41.

2 See, for example, Victorian Minister for Planning, *Submission 651*, p. 4.

3 *Preliminary Assessment of the Impact of Wind Farms on Surrounding Land Values in Australia: NSW Department of Lands*, DuPonts in association with PRP Valuers and Consultants, Prepared for NSW Valuer General, August 2009, p. 2.

- (i) No reductions in sale price were evident for rural properties or residential properties located in nearby townships with views of the wind farm.
- (ii) The results for rural residential properties (commonly known as 'lifestyle properties') were mixed and inconsistent; there were some possible reductions in sales prices identified in some locations alongside properties whose values appeared not to have been affected ...⁴

4.7 In its submission CSIRO referred to 'an earlier assessment of 78 property sales around the Crookwell wind farm in NSW over the period 1990-2006 [that] found no reductions in property values'.⁵ That study included a comparison of sales of property within six kilometres of a wind farm with sales of those not in the 'viewshed' of the farm.⁶

4.8 The Committee heard anecdotal evidence that suggested that proximity to wind farms may lead to lower prices in some cases. A number of submitters referred to a document produced by an experienced Australian estate agent that stated that land adjacent to wind farms could lose from 30 percent to 50 percent of its value.⁷ One witness informed the Committee that:

... we have an 80-acre property, so therefore it is lifestyle. ... We had it valued originally at \$380,000 to \$400,000, and the last offer we received was \$230,000. That is a loss of \$150,000, and for people that have just reached the age of 30, that is a massive, massive loss and a big drawback for us and our young family.⁸

4.9 Mrs Anne Schafer, whose lifestyle property at Berrybank in Victoria will be in close proximity to a large number of turbines, was concerned that the property will be devalued:

It is hard to prove this, and the wind farm companies will certainly not let anything happen to make it look as though values have dropped, but common sense in itself says that if you are living on a lifestyle property next to 100 turbines surrounding you on three sides, for goodness sake, it is worth nothing. You are out there for the ambience, for the lifestyle, and you

4 *Preliminary Assessment of the Impact of Wind Farms on Surrounding Land Values in Australia: NSW Department of Lands*, Duponts in association with PRP Valuers and Consultants, Prepared for NSW Valuer General, August 2009, p. 2.

5 CSIRO, Submission 579, p. 5.

6 *Preliminary Assessment of the Impact of Wind Farms on Surrounding Land Values in Australia: NSW Department of Lands*, DuPonts in association with PRP Valuers and Consultants, Prepared for NSW Valuer General, August 2009, p. 8.

7 Email message from an Elders Real Estate valuer, quoted by A and J Hodgson, *Submission 837*, p. 3.

8 Mrs T Kehoe, *Committee Hansard*, 28 March 2011, p. CA 69.

have an industrial complex next to you. Of course all of these properties are going to be devalued. It is just sheer common sense.⁹

4.10 Another witness submitted that in the vicinity of Toora it had been reported that properties had been devalued by 30 percent and were difficult to sell.¹⁰

4.11 A report prepared by Access Economics Pty Limited for Residents Against Turbines of Tooborac suggested that the use of the land (agricultural or amenity) is important when considering the impact of wind farms on land values. The report noted that, to the extent that land values are adversely impacted by a wind farm, the cost is borne by a relatively few surrounding property owners. The report reads in part:

From a policy perspective, it is debatable whether paying for what is a genuine public good – greenhouse gas abatement – should fall so disproportionately on so few.¹¹

4.12 Acciona submitted that:

... in rural areas the main factor influencing a property's value is the land's productivity. This is a function of its resource endowment and its condition, both of which are unaffected by the presence of a wind farm nearby.

...

In reference to properties hosting the wind turbines, wind farms should have a direct positive effect on their value. These properties receive a long term, reliable revenue stream for the placement of a wind turbine that coexists easily with other and uses, i.e. it does not materially affect the productivity of the land, generally occupying around 1.5-2% of the total land area. In some cases, the provision of improved access tracks and supply of power to remote areas of a property may also create improvements in the land's productive capacity.¹²

Overseas studies

4.13 Origin Energy submitted that overseas studies have found there is little to suggest that wind farms impact negatively on the value of neighbouring properties. Origin drew the Committee's attention to a Sustainability Victoria publication that referenced studies carried out in the USA and Denmark.¹³

9 *Committee Hansard*, 28 March 2011, p. CA 59.

10 Assessment of Economic Impacts of the Oaklands Hill Wind Farm Proposal Prepared by Peter Prasser for The Grampians Glenthompson Landscape Guardians Inc, *Submission 349*.

11 *An economic assessment of the proposed McHarg Ranges wind farm*, Report by Access Economics Pty Limited for Residents against Turbines of Tooborac, Access Economics December 2008, p. 50.

12 *Submission 650*, p. 7.

13 *Wind Energy Myths and Facts*, Sustainability Victoria, May 2007, p. 11, quoted in Origin Energy, *Submission 591*, p. 11.

4.14 The Danish study referred to above evaluated the costs to nearby households caused by the visual effects and noise of nearby windmills. This evaluation was done partly by means of a house price survey. The study found, among other things, that in certain cases there are considerable costs for a few households. Houses which lay close to a single windmill were approx. DKK 16,200 (approx. \$3000) cheaper than other houses – with parity of other factors – and houses which lay close to a windmill park with 12 windmills were DKK 94,000 (approx. \$17000) cheaper – with parity of other factors.¹⁴

4.15 The Clean Energy Council (CEC) cited an overseas study undertaken by the US Department of Energy's Lawrence Berkeley National Laboratory (LBNL). That study found that even for homes situated within a one-mile distance of a wind project, no persuasive evidence of a property value impact had been found.¹⁵ The study was based on site visits, data collection and analysis of almost 7,500 single-family home sales in areas where wind farms have been developed.¹⁶ Despite reaching the above conclusion, the report suggested that the primary goal of further research should be to concentrate on those homes located closest to wind facilities where the least amount of data are available.¹⁷

4.16 The CEC also referred to a Canadian study that concluded that 'where wind farms are clearly visible, there was no empirical evidence to indicate that rural residential properties realised lower sale prices than similar residential properties within the same area that were outside of the 'viewshed' of a wind turbine'.¹⁸

4.17 A study of land values in Texas (USA) indicated that values of rural land diminished by 27 to 50 percent as the result of the establishment of a wind farm.¹⁹ The study, which was presented to a Wind and Wildlife Conference in 2009, compared

14 *Social Assessment of Wind Power; Visual Effect and Noise from Windmills Quantifying and Evaluation*. Jorge Jordal-Jorgensen, AKF, April 1996, Summary. <http://www.windaction.org>, accessed 1 June 2011.

15 *The Impact of Wind Power Projects on Residential Property values in the United States: A Multi-Site Hedonic Analysis*, Ben Hoen, Ryan Wiser, Peter Cappers, Mark Thayer and Gautam Sethi, Ernest Orlando Lawrence Berkeley National Laboratory, Environmental Energy Technologies Division, December 2009, p. 75, <http://eetd.lbl.gov/EA/EMP>, accessed 2 June 2011.

16 *Submission 67*, pp 8–9.

17 *The Impact of Wind Power Projects on Residential Property Values in the United States: A Multi-Site Hedonic Analysis*, Ben Hoen, Ryan Wiser, Peter Cappers, Mark Thayer and Gautam Sethi, Ernest Orlando Lawrence Berkeley National Laboratory, Environmental Energy Technologies Division, December 2009, p. 75, <http://eetd.lbl.gov/EA/EMP>, accessed 2 June 2011.

18 *Submission 67*, p. 9.

19 Friends of Collector, *Submission 836*, p. 8.

direct sales of seven properties in south Texas.²⁰ Interestingly, the presenter of the paper noted that the highest use of Texas rangeland is now 'recreational use', which includes what would be described in Australia as 'lifestyle properties'.

4.18 Another study from the USA was submitted by an experienced professional real estate appraiser, Mr Michael McCann, to the Adams County Board (Illinois, USA) in relation to a proposed wind farm in the county. Mr McCann suggested that there would be a 25 percent loss factor for homes in the footprint of the wind farm, and an average 5 percent value diminution factor for all homes in the 2-mile zone.²¹ Mr McCann also criticised the LBNL report, stating that the study tended to minimise the impacts, 'as the carefully crafted language in the report's executive summary appears to indicate is the case'.²²

4.19 Although there were conflicting views expressed, there were sufficient indications in the evidence to suggest that the value of rural lifestyle properties in close proximity to wind farms may be adversely affected by the establishment of the wind farms. Agricultural properties near wind farms which do not host turbines may not be similarly affected, although there could be some diminution of values if dwellings on the properties are situated very close to turbines. There might also be some negative effects on agricultural property values if those properties could not utilise aerial applications of fertiliser, seeds and pesticides.²³

4.20 The value of properties that are hosts to wind turbines should increase provided of course that the rights to rentals for the turbines are transferable with the sale of the property. It was argued by wind farm developers that turbines occupy only a minute percentage of the land and may improve it to the extent that tracks are maintained and that some electric facilities might be available in areas of properties where they had not been before.²⁴

Compensation and property guarantees

4.21 Some witnesses suggested that because wind farms devalue adjacent properties the developers should pay compensation to those affected. Mrs Read, Secretary, Western Plains Landscape Guardians, stated that:

20 Derry T Gardner, Gardner Appraisal Group Inc., Impact of Wind Turbines on Market Value of Texas Rural Land, prepared for South Texas Plains Agriculture Wind and Wildlife Conference, 13 February 2009, American Wind Power Center and Museum, Lubbock, Texas. <http://texas-wildlife.org>, Accessed 2 June 2011.

21 Michael S McCann, McCann Appraisal, LLC, Submission to the Chairman and members of the Adams County Board, 8 June 2010, p. 16.

22 Michael S McCann, McCann Appraisal, LLC, Submission to the Chairman and members of the Adams County Board, 8 June 2010, p. 14.

23 See Aerial Agricultural Association of Australia, *Submission 2*.

24 See, for example, Mr Burn, *Committee Hansard*, 29 March 2011, p. CA 93.

Developers of wind farms have a duty to pay compensation for loss of property value to neighbouring or affected properties.²⁵

4.22 Mr Jonathon Upson, Senior Development Manager, Infigen Energy, when commenting on the matter of compensation for neighbouring property holders, quoted at length from a decision of the NSW Land and Environment Court in relation to the Cullerin Range wind farm, as follows:

Commissioner Tim Moore responded to the Landscape Guardians group's argument that neighbours should be compensated for the blight and perceived loss of property values by stating:

Such a proposition faces a number of insurmountable hurdles.

The first is that the wind farm, as earlier noted, is a permissible use on all of the parcels of land upon which it is proposed to be located ... If the concepts of blight and compensation, as pressed by the Guardians, were to be [adopted and] applied to this private project (a proposition which I reject) then any otherwise compliant private project which had some impact in lowering the amenity of another property ... would be exposed to such a claim.

Creating such a right to compensation (for creating such a right it would be) would not merely strike at the basis of the conventional framework of land use planning but would also be contrary to the relevant objective of the [Planning] Act ...for the promotion and co-ordination of the orderly and economic use and development of land.²⁶

4.23 Mr Upson argued that if every proposed infrastructure development—a rail line, a hospital, a power line, a shopping centre, a freeway—were subject to every neighbour being able to put their hand out for compensation according to their perceived amenity impact, the planning system would descend into chaos and few, if any, development projects would ever proceed. He stated that:

We believe that wind farm projects are just another infrastructure project and we should be treated with the same rules and regulations that other infrastructure project go by.²⁷

4.24 If it were decided to compensate households that experience adverse effects from a project, it would be difficult to determine how an appropriate level of compensation might be set, who should be compensated and who should pay. The NSW Legislative Council Committee recommended that the state minister should commission research into compensation options and that the research should

25 *Committee Hansard*, 28 March 2011, p. CA 23.

26 *Committee Hansard*, 29 March 2011, pp CA 93–94.

27 *Committee Hansard*, 29 March 2011, p. 94.

investigate options including the purchasing of affected properties and/or the provision of monetary compensation by the developer.²⁸

4.25 At the moment host landholders gain financial benefits but neighbours miss out. This leads to problems within communities. CSIRO suggested that the issue might be addressed by implementing alternative models of compensation, as follows:

Alternative models of compensation could involve agreements to formally share royalties between landholders whose properties host the turbines on a sliding scale with the immediate neighbours who experience visual intrusion (as assessed by the wind farm design). In addition, often the 'community fund' established by the wind farm developer is directed into the local council's consolidated revenue. An alternative approach to address inequitable financial gains would be to direct this to those community members most negatively impacted.²⁹

4.26 The Clean Energy Council submitted that:

The planning and approvals systems that operate throughout Australia provide a transparent process open to third party representations to ensure potential impacts at regional, local and site levels are thoroughly assessed and developments are only granted planning permits if they meet the established planning policies and provisions or have conditions imposed to ensure they comply. This process already provides opportunities for both developers and land owners to enter into commercial arrangements outside of the regulated approval process.³⁰

4.27 Mr William Elsworth, a resident of Smeaton, Victoria, stated that developers should be required to give property guarantees. He informed the Committee that:

In America it is starting to happen where local authorities are making wind companies provide a property guarantee for people who neighbour wind farms to protect those people.³¹

4.28 Mr Elsworth's claim that property guarantees are given in at least some counties in the United States of America is supported in Mr McCann's submission to the Adams County Board.³²

28 *Rural wind farms*, NSW Parliament, Legislative Council General Purpose Standing Committee No. 5, Report 31, December 2009, p. 83.

29 *Submission 579*, p. 6.

30 *Submission 67*, p. 9.

31 *Committee Hansard*, 28 March 2011, p. CA 63.

32 Michael S McCann, McCann Appraisal, LLC, Submission to the Chairman and members of the Adams County Board, 8 June 2010, p. 6.

Committee view

4.29 Although the impact of wind farms on property values is unclear, the value of some properties that are close to turbines may be adversely affected. In most cases, the Committee understands that planning processes such as setbacks are designed to avoid such situations. However, for such properties, government agencies might consider including in the planning processes provisions such as those suggested by CSIRO, which have been discussed in paragraph 4.25 above. In this regard, the Committee notes existing arrangements in New South Wales, whereby the planning minister can require a property acquisition clause to be included in a planning approval, if requested by the affected landowner.

Employment opportunities

4.30 CSIRO informed the Committee that 'job creation in wind farm construction and, to a lesser extent, in operation of the wind farm, was the second-highest aspect cited in support of wind farm development in the CSIRO media analysis. Financial benefits through indirect opportunities were also cited, including tourism potential'.³³

4.31 Mr Thompson, Director Development, Acciona Energy, informed the Committee that the Australian wind industry provides 2148 full-time equivalent jobs, which is expected to increase to more than 19 000 by 2020. Acciona had projects worth in the order of \$1.5 billion over the next three to four years and expected to employ more than 500 workers during the construction of the projects and 60 during operations.³⁴ AGL stated that its wind farms at Hallett in South Australia had employed an average of 98 construction workers at any one time from 2005 to 2010.³⁵ Other developers also provided data on employment on their projects.³⁶

4.32 Significant indirect employment may result from the development of wind farms. A report commissioned by AGL on the economic impact of the Hallett wind farms (SKM report) used a multiplier of three to estimate the numbers of indirect jobs generated by the development of Hallett. The multiplier was based on one that was used in an earlier report which in turn used a calculation of the European Wind Energy Association. According to the SKM report, the figure may be conservative because 'it is significantly lower than the national multiplier for the electricity, gas and water sector (over 6) and the non residential construction sector (over 4)'.³⁷ Using this

33 *Submission 579*, p. 5.

34 *Committee Hansard*, 29 March 2011, p. CA 68.

35 Ms S McNamara, *Committee Hansard*, 25 March 2011, p. CA 64.

36 See, for example, Mr T Mitchell, Union Fenosa Wind Australia, *Committee Hansard*, 25 March 2011, p. CA 68.

37 *Economic Impact Assessment of the Hallett Wind Farms*, Final Report, Sinclair Knight Merz, 8 July 2010. p. 40.

multiplier, the SKM report suggested that the Hallett project could have generated an extra 2400 full time equivalent job years.³⁸

4.33 Flow-on employment effects may be observed at Keppel Prince Engineering in Portland, Victoria, which employs 150 people dedicated to wind farm activity. The company has built wind farms in Australia and has exported parts to New Zealand and Portugal.³⁹ Another example is American Superconductor Corporation which sells solutions that help connect wind and solar farms to the grid and which has recently opened its first office in Australia.⁴⁰

4.34 Not all of the jobs generated by a wind farm development will be in the local region, although the industry attempts to employ locally wherever possible. Workers in the regions will not have all the necessary skills, but the following workers and businesses may benefit directly:

- Domestic scale electricians
- Transport operators
- Machine operators
- General labourers
- Quarries
- Concreters⁴¹

4.35 Indirect benefits will also accrue to local businesses, such as stores and providers of accommodation, who provide services for the workers. Many of these local benefits will be temporary, however, because the construction phase is much more labour intensive than the operations and maintenance phase. Nevertheless, employment in the regions of wind farms should increase somewhat in the longer term and may be bolstered to the extent that rentals paid to host landholders and rates paid to local governments remain in those regions.

4.36 Acciona submitted that 200 people were employed on the construction of Waubra and 30 people are employed on operations and maintenance.⁴² Origin Energy submitted that a general rule of thumb is that for every 25 turbines three on-site jobs are generated.⁴³

38 *Economic Impact Assessment of the Hallett Wind Farms*, Final Report, Sinclair Knight Merz, 8 July 2010, p. 44.

39 Mr Stephen Garner, General Manager, Keppel Prince Engineering Pty. Ltd., *Submission 294*.

40 Mr John Wright-Smith, Australian Sales Manager, American Superconductor Corp., *Submission 486*.

41 *Economic Impact Assessment of the Hallett Wind Farms*, Final Report, Sinclair Knight Merz, 8 July 2010, p. 45.

42 *Submission 650*, p. [8].

43 *Submission 591*, p. 12.

4.37 The construction of wind turbines requires some skills that are not readily available in the rural regions where wind farms are developed and in some cases not in Australia. However, the industry attempts to employ local people. Acciona submitted that:

Whenever possible, we source employment locally. For example, our Waubra Wind Farm in rural western Victoria sourced approximately 80% of the jobs from the region during both the construction and operations and maintenance phases of the project.⁴⁴

4.38 Acciona also submitted that:

The wind energy sector contributes to building skilled employment, which is particularly relevant to addressing skill gaps and providing a pathway for industry growth in the renewable energy industry, a long-term and worldwide industry. As an example of the upskilling of the local workforce, at ACCIONA Energy we provide in-house training for tradespeople to become technicians that acquire both electrical and mechanical skills. Moreover, many of the skills are transferable to other industries, both locally or further afield.⁴⁵

4.39 Employment on wind farms is concentrated and hence easily measured, but it is not easy to estimate employment effects in the wider economy. As discussed, some of these flow-on effects will be positive, resulting from the economic activity generated by wind farm developments. Negative effects could result from increased electricity prices and opportunity costs (if the investment in wind power were at the expense of other economic activities).

4.40 The Committee received little information about negative employment effects and nothing from an Australian perspective. One submitter, the Australian Landscape Guardians (ALG) referred to work done in Spain that found that increased power costs from wind energy in that country caused the loss of 2.2 jobs for every job created in the wind industry. On that basis, ALG estimated that the 84 jobs generated by the Stockyard Hill project would destroy 184 jobs—a net loss of 100 jobs.⁴⁶

4.41 The study to which ALG referred is a *Study of the Effects on Employment of Public Aid to Renewable Energy Sources*, from King Juan Carlos University in Spain.⁴⁷ That study has been criticised on a number of grounds, including that it deviates from the traditional methodologies used to estimate job impacts and that it lacks transparency and supporting statistics. The criticism is contained in a paper

44 Submission 650, p. [8].

45 Submission 650, p. [8].

46 Supplementary Submission 6, p. 25.

47 Alvarez, G.C.; Merion Jara, R.; Rallo Julian, J.R. (2009). *Study of the Effects on Employment of Public Aid to Renewable Energy Sources*. King Juan Carlos University. March 2009.

produced by the National Renewable Energy Laboratory which is operated for the US Department of Energy by the Alliance for Sustainable Energy.⁴⁸

4.42 In Australia it has been estimated that the cost of electricity will increase by about 4 to 5 percent as a result of the implementation of the RET.⁴⁹ Mr Swift, Executive General Manager Corporate Development, Australian Energy Market Operator, told the Committee that wind power at the moment is significantly more expensive than gas or coal generation. He indicated that the additional cost was equivalent to the price of Renewable Energy Certificates which were trading at about \$39 per MWh.⁵⁰ The Committee did not receive evidence that would have allowed it to estimate the employment effects of this cost on business in other sectors of the Australian economy.

Committee view

4.43 In the absence of relevant data it is not possible to calculate the net employment effects of the development of the wind industry on the Australian economy. However, the Australian industry clearly generates many jobs especially in the regions and will continue to generate significant levels of direct and indirect employment. The Committee supports the development and use of a skilled local workforce both in the construction and maintenance of wind farms.

4.44 In the Committee's view, even if the net gains in employment were small, the public good, i.e., greenhouse gas abatement, which is produced by the wind industry, should be taken into account.

Farm income

4.45 Landholders who host turbines receive some recompense for the long-term use of their land. Landholders who adjoin wind farms do not, although in some cases they may be subject to as much nuisance from the facility as those who benefit financially. This has been identified as a major issue in this inquiry.

4.46 For the hosts, the income received from rent or lease of their land to wind farm operators may be the difference between having a viable business and losing their livelihood. Infigen Energy submitted that several families participating in its Lake Bonney wind farm indicated that the lease payments had been the difference

48 Eric Lanz and Suzanne Tegen, *NREL Response to the Report Study of the Effects on Employment of Public Aid to Renewable Energy Sources* from King Juan Carlos University (Spain), White Paper NREL/TP 6A2-46261, August 2009, p. 5.

49 McLennan Magasanik Associates, *Impacts of Changes to the Design of the Expanded Renewable Energy Target*, May 2010, quoted in the Senate Environment, Communications and the Arts Legislation Committee Report on the Renewable Energy (Electricity) Amendment Bill 2010 [Provisions] and two associated bills, June 2010, p. 6.

50 *Committee Hansard*, 17 May 2011, p. CA 6.

between them being able to continue farming and having to sell out.⁵¹ It is therefore understandable that there is an incentive for some farmers to encourage the development of wind farms. For others who do not benefit financially there may be costs in terms of living amenity or even financial costs from living and working in close proximity to wind turbines.

4.47 In theory, everyone living in a region where a wind farm is established should receive some indirect financial benefit from increased employment and economic activity, or from the contributions made by wind farm operators to local government and local community organisations. Acciona informed the Committee that:

... in Victoria, a typical rate contribution from a wind farm is \$40,000 + \$900 per megawatt of rated capacity per annum. Over 20-25 years of a 100 MW wind farm, this can equate to \$130,000 per year or \$3.6 million (indexed to CPI) in local rates in aggregate.

...

The Community Benefit Fund for Waubra Wind Farm, for example, provides \$64,000 per year (indexed to CPI) which will contribute over \$1.6 million to that community over the initial term of the project.⁵²

4.48 The Committee did not receive any detailed information in relation to the financial benefits obtained by farmers who lease land to wind farm operators. The operators are not prepared to make this information public and the hosts are bound by commercial confidentiality agreements. Some host landholders are reluctant to release this information. Some submitters provided estimates. These estimates ranged widely, but indicated that leasing land to wind farm operators is at the least a good supplement to other farm income. Infigen Energy submitted that press reports had suggested that lease payments were from \$8000 to \$10 000 a year.⁵³ Mr Hodgson from the Friends of Collector suggested that most landholders receive \$12 000 to \$15 000 per year for turbines but that at Collector Transfield is proposing to pay \$2500 per turbine which he described as 'woefully inadequate'.⁵⁴

51 *Submission 652*, p. 6.

52 *Submission 650*, p. 9.

53 *Submission 652*, p. 6.

54 *Submission 837*, p. 4.

Committee view

4.49 The Committee considers that the wind industry generally makes a significant contribution to farmers' incomes either directly through the payment of rent to individual landholders or indirectly to other landholders through increased economic activity in the region and payments to local councils and community organisations.

Senator Rachel Siewert

Chair