



Weekly Times (Vic)

Wednesday 1/02/2017

Page: 10
Section: General News
Region: Melbourne, AU
Circulation: 53990
Type: Rural
Size: 655.00 sq.cms.



slice
CUT STRAIGHT TO YOUR NEWS

press clip

Over the cliff, one at a time – our unseen crisis



A decade has passed since the Federal Government took control of the Murray Darling Basin, and as the water dries up, the lifeblood seeps from small communities, writes **NATALIE KOTSIOS**

MOTHER Nature has been kind in the past six months.

From the Goulburn Valley to the Riverina, the Sunraysia to the Riverland, plentiful rains have seen brilliant green orchards thrive and golden crops harvested in record numbers. Life in the southern Murray Darling Basin must surely be good.

For the most part, right now it is. Beyond the surface however, according to Ardmona orchardist Peter Hall, it's a different story: death by a thousand cuts.

Five years into the Murray-Darling Basin Plan, its impact is equal to Hazelwood Power Station's closure on the Latrobe Valley, he reasons.

"The problem is, Hazelwood's a headliner because it's bang — there's a cliff they're

going to drop off and there's going to be a pile of human misery there," he said.

"What we've got is a single file line of people going over a cliff over a long time ... there's a scream, but it's not quite as loud as the thousands at once at Hazelwood."

It sounds dramatic, but maybe that's needed to get attention, he reckons. Show people a picture of a dry creek bed or dying fish and the environment's pain is obvious. A farm that looks productive, though: well, why are you complaining?

The clues are there if you look: shut-up shopfronts in small towns, shrinking schools, vacant farms that stand out like scars.

The plan's impact in the Northern Basin has been well documented — Murray-Darling Basin Authority research shows some towns are losing up to a third of their jobs.

In the south, there's a downward trend of irrigation businesses of 4 per cent a year from 2006 to 2014, reports from water policy consultants Aither show. Average farm business profits are in the red by \$10,000 a year.

An independent analysis of the Goulburn Murray Irrigation District indicates the region has lost \$550 million in production each year since 2012, with 1000 jobs evaporating. That figure doubles under the full plan, the report says.

While the basin plan itself is not solely to blame — drought, fluctuating commodity prices and a fickle water market also have a lot to answer for — most agree it's not helping.

More than 2000GL of a 2750GL target has now been taken out of the system for the environment. Irrigators will



Weekly Times (Vic)

Wednesday 1/02/2017

Page: 10
Section: General News
Region: Melbourne, AU
Circulation: 53990
Type: Rural
Size: 655.00 sq.cms.



slice

CUT STRAIGHT TO YOUR NEWS

press clip

wear that; it's the possibility of another 450GL that won't wash. It can be recovered only through infrastructure works, not buybacks.

"I've done a calculation and I think that 450GL converts to about 11,000 on-farm horticulture jobs, probably about 3-4000 dairy jobs ... that's a lot of carnage," Mr Hall, a third-generation fruit grower said.

"There's a recognition we need to improve river health, but do you think it's easy to get rid of 11,000 jobs?"

IT'S fair to say water recovery through infrastructure improvements have been much more well-received than direct buybacks.

But it leaves the same number of people vying for less water in an already volatile temporary water market.

That potentially pits industry

against industry; right now, horticulture wins, thanks to excellent commodity prices.

Aither's report shows fruit and nut growers can afford to pay \$3000/ML and grape growers \$1800/ML. Dairy and cotton bottom can bid to \$250/ML while rice has a \$165/ML limit. To free marketeers — and many farmers unabashedly are — it makes sense for water to go to the highest-value use. But in a public policy sense, it's a death sentence.

While almonds thrive, Mr Hall argues, it depletes the capacity of other sectors to operate. "What if that happens for 10 years and dairy says, 'We can't compete, we're out' — all that infrastructure that's been invested fades into the sunset," he said. "Then if almonds say it's not working so well and we'll have to shrink, let's flick the switch on dairy again? It's

not going to happen." An industry such as almonds is also highly mechanised, meaning

fewer jobs.

SA Murray Irrigators' Caren Martin — an almond grower herself — suggests some assistance might be needed. "Look how much the Government's propped up Holden or the like," she said.

Just outside Mildura, Neale Bennett's 17ha almond crop is going great guns. The chairman of Almonds Australia empathises with farmers upstream, but stresses the challenges and uncertainties through the drought and basin plan have been just as great here as for the Goulburn Valley.

Around Merbein and Red Cliffs, Mr Bennett recalled, lots of people left the land, with properties lying vacant for years. Now that land is being redeveloped or new sites creat-

ed, as the wheel of agriculture has moved back in favour of citrus and nuts.

"OK, we're having higher returns now — but the thing is, you're paying down the debt you had to get into."

Confidence among irrigators is returning, but there's no certainty of what's next.

"A mate's got a son looking to come home," Mr Bennett mused. "He wants to buy a third of permanent water to develop land but it's like rocking horse manure — there's not much around."

And therein lies the crux of the issue: what's the future for the next generation?

"When so much water left the district, so many people thought they were going to operate on the temporary market, then they got there and found it wasn't necessarily going to work that way," says

Les Gordon, rice-grower and National Farmers' Federation vice-president.

It's not all doom and gloom — Mr Gordon knows there are plenty of farmers doing OK.

But it's the bigger picture that needs attention.

DOWN the road from Mr Gordon's Wakool property is Wakool Burraboi School, with about 11 students, including his twin granddaughters. Once there were two schools, with about 100 pupils each. If it closed, the children would likely bus it to Barham and with no school run, that's one less reason for the people of Wakool to bump into each other, have a chat. It's the start of the fracturing of the social ties that bind.

Mr Gordon stressed that drift of people leaving the village started well before the

basin plan, but it still contributed to a simple equation: less water equals less activity and fewer farms. Fewer farms means fewer farmers hiring staff. Less spending to keep the local shops in business. Less justification for government spending on other services, such as hospitals and schools.

Of the \$13 billion allocated to implementing the basin plan, just \$200 million was allocated to help communities diversify their economies.

Mr Gordon hopes the recently announced Productivity Commission review into regional economies can help indicate the way ahead.

"These communities have been slowly declining for at least 30 to 50 years," he said. "We need to have a discussion about what sort of communities and regions we want, and how we're going to get them."



Weekly Times (Vic)

Wednesday 1/02/2017

Page: 10
Section: General News
Region: Melbourne, AU
Circulation: 53990
Type: Rural
Size: 655.00 sq.cms.



slice
CUT STRAIGHT TO YOUR NEWS

press clip



Misery mounts: Orchardist Peter Hall despairs that the shrinking of jobs and business remains unnoticed. Picture: DANNIKA BONSER