



Registration No: U1226719

"Cardale"

Phone: 02 6792 1718

P.O. Box 375

Narrabri N.S.W. 2390

ABN: 65 044 814 954

1st April 2019

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

Dear Sirs or Madams,

**We strongly submit this Submission AGAINST the
Export Control Amendment
(Banning Cotton Exports to Ensure Water Security) Bill 2019**

We own and operate an agricultural business under Stan Carberry & Sons for over 100 years, with now 4th generation family members. We produce beef cattle, grains (wheat, oats, barley, chickpeas and mung beans) and cotton. We support 7 family members, up to 4 staff families on farm as well as numerous casual workers in seasonal activities. We spend between \$3 million to \$4 million dollars in our local community. We have been growing cotton for 52 years and it represents 75% of our income through our irrigation and dryland production. We have 2 different allocated water sources used on our property from surface water and underground water, which supply our irrigation at different percentages depending on the seasons. We try to manage our water, to continue to produce a certain amount of cropping to keep our business on an even production and cashflow every year if possible. It becomes impossible with continued drought conditions and our business is suffering badly this year.

If we were not to grow cotton, we would be growing some other crop with our allocated water at a reduced return per megalitre of water used. This would economically damage our efficiency of water usage (which we believe is our responsibility to be obtaining the maximum efficiency and return on the use of our water) and put unnecessary financial restraints on our business. Also, there would be lots of drought affected farms including our own which are very thankful for the cotton seed production which is very high in protein and the best for stock feed in these situations. Most of the milk supply on the eastern seaboard would also have consumed cotton seed in its ration these days as well.

We find it quite ridiculous a Senator from South Australia, with no experience in the the irrigation industry, or the cotton industry, or any water matters has the gumption to suggest closing a viable and successful industry which has invested heavily in sustainable agriculture. With the Senator coming from South Australia, which has serious water management issues of their own, including its own mismanagement. How dare he point fingers at anyone else when they have not got their own backyard in order.



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Important facts about the Australian cotton industry

Cotton's importance for communities

- Cotton is grown in 152 communities across New South Wales, Queensland, and northern Victoria.
- In 2017/18, there were 1,436 cotton farms.
- A total of 90% of cotton farmers operate small family farms.
- Cotton growers also grow other crops like sorghum, soybeans, wheat, and also have cattle.
- In 2016/17, the Australian cotton crop was worth \$2.3 billion.
 - Lint was worth \$2 billion.
 - Cottonseed was worth \$300 million.
- Cotton represents between 30% and 60% of the gross value of the agricultural production in regions where it is grown (reference: Australian Cotton Sustainability Report 2014).
- Cotton growers make a valued contribution to their communities. The 2017 Cotton Grower Practices survey showed growers significantly contribute to their communities. On average, 79% of grower expenses were spent in their local area, equivalent to \$0.80 in every \$1 of business expenses. Growers also strongly contribute to their communities through donations to local organisations, community causes and charities, and supporting local events.
- If cotton was banned, it would strand assets worth tens of millions of dollars, such as gins, which would not be able to be re-purposed.

Environmental credentials

- The environmental achievements of the industry have included:
 - A 40% increase in cotton water productivity, with year-on-year improvements continuing
 - Yields 2.5 times the world average, with a high-quality product produced.
- Australia's cotton industry has one of the most rigorous farm and environmental management programs in the world - myBMP.
 - There are 300 separate standards across 10 categories that farmers must satisfy to be fully certified in the myBMP program.
 - myBMP uses practical tools to ensure growers are implementing world's best practice to produce economically, socially and environmentally sustainable cotton.

Impact of drought

- During a drought, the amount of water for farmers significantly drops, as allocations are reduced.
- The water that is available is prioritised for critical human needs and the environment first.
- If there's no water available, there's no irrigated cotton grown (unless a farmer irrigates using water they stored when there was a high water allocation).



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- The 2018/19 cotton crop is forecast to be at least half what was grown in 2017/18, due to the lack of water available because of the drought.

Yours sincerely,

Mike Carberry
Partner