

Submission to Senate Committees on Rural and Regional Affairs and Transport.

I am writing to express my serious concern regarding Senator Rex Patrick's Bill to ban the Export of Cotton from Australia.

I own and operate a medium sized mixed family farming operation at Warren in Central West New South Wales. I am the fourth generation on this land and grow a range of crops under dryland and irrigation as well as run sheep and cattle. Since the building of Burrendong Dam in the late seventies, irrigation has grown to become a major part of our business and cotton has been our crop of choice since 1984. My business employs between four and nine people depending on water allocations which in turn drives the area of cotton we plant. Without cotton this number of employees would be permanently reduced.

The banning of cotton will not change the amount of water we use. It will simply mean we will be forced to grow a much less profitable crop such as wheat, corn or sorghum. If such a ban was to come into place these crops would be even less profitable than they currently are due to the oversupply that would occur under such a ban.

My business has significant borrowings that rely on cotton to make repayments and pay interest. I know there will years when I can't grow cotton but history has shown me that it does rain eventually and in the wet years, we can make up for the money lost through the dry years thanks to the good profitability of cotton. Without cotton we could not service, let alone repay our loans and would eventually be forced out of business. There is no doubt such a ban would cause a serious devaluation of the irrigation and machinery assets associated with cotton and cause widespread pain for both banks and their clients as well as the various service industries that support the industry.

Such a ban would leave towns like Warren and countless others in financial ruin while not resulting in any less water being used for irrigation. Cotton is a crop that has significant flow on benefits to the economy through its processing and higher labour requirement. The alternative crops do not provide nearly as much flow on economic benefit.

Another important fact that people like Senator Patrick fail to understand is that several of the major cotton producing valleys are closed systems except in times of flood. This means that the water stored in Dams such as Copeton, Burrendong and Wyangla cannot be efficiently delivered to the Darling system without huge losses due to the large wetlands on the bottom of these systems.

Dryland cotton is also an important crop in ours and many cropping systems across the North West of NSW and Southern Queensland. In 2010/11 summer more than one million bales were produced from rainfall. To lock out this crop for dryland farmers would be a massive blow to the long-term viability of farming in Australia. Dryland cotton is a major contributor to many farming systems in NSW and Queensland.

An export ban on cotton would not achieve anything more than crippling large areas of once productive farming communities and leaving hundreds of millions of dollars in stranded assets. I hope the Senate can see this is an outrageous proposal that should be thrown out completely. Clearly Senator Patrick has no understanding whatsoever of how the Northern Basin irrigation industry or river systems work.

Sincerely

Angus O'Brien