



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

Balonne Shire Council **does not** support the *Export Control Amendment (Banning Cotton Exports to Ensure Water Security) Bill 2019*.

The key flaw with the premise of banning export of cotton is that this irrational and unfounded proposition is not in any way related to water security.

The banning of cotton will not save a single megalitre of water, as this water is an asset legally owned, as registered on the Water Allocation Register¹, allocated to people or corporations, who have a rightful entitlement to this resource defined by their license. If the owner's water license is not used to produce cotton, it can lawfully be used to produce other commodities.

Banning exports of cotton is a selective, divisive and destructive proposition that will have a devastating impact on the Balonne Shire economy, the Queensland economy and the Australian economy.

The cotton industry is an integral part of the Australian economy, worth more than \$2 billion per-annum in export earnings and helping to underpin more than 50 rural communities.²

Australian Cotton and The Economy

The average Australian cotton farm:

- is family owned and operated (cotton is grown by 1400 farmers)
- directly creates jobs for 6-7 people
- is run by farmers with an average age of 39
- grows 495 hectares of cotton, comprising 17% of the total farm area
- supplements cotton with other crops including wheat, chickpeas and sorghum, and many Australian cotton farmers also graze sheep and cattle
- dedicates 42% of farm area to native vegetation³

Our Cotton Communities

The benefits of a successful cotton industry are felt at many levels:

- On the farm business, where an average of 6-7 people are employed [up to 7000 people in total]
- In the local community, where direct support is provided to over 4,000 business
- In the national accounts where \$2 billion a year is generated in export earnings.⁴

We implore the Government to make informed decisions when planning policy and water recovery measures.

If further water needs to be recovered to meet environmental outcomes, the Federal Government must consider a holistic approach and resume water through efficiency projects.

The Balonne Shire covers 31,119 km² and is located in the Lower Balonne section of the Northern Basin in the Murray-Darling Basin, with a Shire population of 4480 people.

¹ <https://www.business.qld.gov.au/industries/mining-energy-water/water/water-markets/register>

² <https://cottonaustralia.com.au/australian-cotton/economics>

³ <https://cottonaustralia.com.au/australian-cotton>

⁴ <https://cottonaustralia.com.au/australian-cotton/community>



Two (2) of the Balonne Shire Council townships of Dirranbandi and St George have been identified in the *top four (4) most affected communities* by the water buy-backs under the Plan. The hard-hitting impacts are outlined in two reports commissioned by the Murray Darling Basin Authority in November 2016⁵.

In the Lower Balonne area of the Murray-Darling basin we are in our seventh consecutive year of drought. Balonne Shire has experienced recurring drought periods over the past 15 years⁶.

The Balonne cotton industry was valued at \$100.5 million in 2015-2016 representing 43% of the cropping industry output contribution in the Shire.

For many growers in our Shire, cotton plantings are drastically reduced, or non-existent, due to the seasonal conditions. Cotton growers should not be penalised, criticised nor unfairly accused, for responsibly managing their water entitlement over multiple seasons.

Cotton families support our schools, our businesses, our communities and bring diversification to the agricultural sector of the Shire.

Water policy has had far reaching impacts across the entire Shire and we appeal to the Government to consider the impacts that a ban on cotton exports would have on not only our Shire, but other rural communities – most of which are already struggling in ongoing and prolonged drought conditions.

Cr Richard Marsh
Mayor

⁵ https://www.mdba.gov.au/sites/default/files/pubs/630%20-%20NBR%20Community%20profile%20-%20St%20George_0_0.pdf

⁵ https://www.mdba.gov.au/sites/default/files/pubs/630%20-%20NBR%20Community%20profile%20-%20Dirranbandi_0_0.pdf

⁶ <https://longpaddock.qld.gov.au/drought/drought-declarations/>