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**Submission to House of Representatives Standing Committee on Primary
Industries and Regional Services.**

Inquiry into infrastructure and the development of Australia's Regional Areas.

Submission by Tony Read, Chairman, Century Orchards Pty Ltd.

Background

As an employee of Kinhill Pty Ltd, consulting engineers, I have been involved in many development projects over the past twenty-five years. In 1987, I was the entrepreneur in putting together a \$10 m 464 hectare irrigated almond orchard near Waikerie SA. In the mid 1990's, I put together a \$20 m 650 hectare almond and grape development at Loxton SA, known as Century Orchards. This submission is based on the Century Orchards experience.

Project Initiation

The concept of Century Orchards was in place by 1995 and the search commenced for a nominal 400 hectare (1000 acre) site. Century Orchards was assisted by the SA Government agencies (Primary Industries and State Development). Two sites were abandoned on the grounds of native vegetation clearance and an unwilling vendor. The site now being developed was identified by Primary Industries who undertook preliminary soil investigation studies. The unwilling vendor was finally coerced into selling.

The Century Orchards Project

The project involves 450 hectares of irrigated almonds and 200 hectares of irrigated wine grapes, which are planted selectively on the site, based on soil type and topography. The project is located adjacent to the 50 year old Loxton Irrigation Area (LIA) and receives its water from the existing LIA water distribution system.

Government involvement in the Project

Century Orchards is a private project and does not rely on financial support from government but requires cooperation from government. Following is a report card on the performance of government.

Local Government (Loxton Waikerie)

- Council encouraged the project at all times;
- land use zoning had to be changed and was done so by Council;
- access road to the site was built as a joint venture by Council and the Company;

State Government

- Government encouraged the project at all times;
- Government budgeted its contribution to rehabilitation of LIA but subject to Commonwealth contribution;
- Power supply to the site came after a protracted and unsatisfactory negotiation. Power supply is a major constraint in the region.
- legal advice (from Crown Law) was negative and sometimes incorrect;
- Lobby by State Government in Canberra was active and effective

Commonwealth Government

- The Commonwealth is the owner of LIA and was required to make a financial commitment to rehabilitation of LIA;
- Commonwealth procrastinated for several years despite being in possession of credible reports;
- Prime Minister showed leadership by committing \$800,000 to the first stage of rehabilitation;
- In August 1999, Commonwealth finally committed to LIA rehabilitation;
- Legal advice was tardy and unhelpful;

Summary

It is becoming increasingly more difficult to undertake development projects. Governments are putting more hurdles in the path of development. The two major impediments to the Century Orchards development were the inability of State and Commonwealth Government to make timely decisions and the poor condition of electricity supply in the Riverland. Time is the essence of many projects, especially rural projects, and governments do not seem to have the ability to meet deadlines.

Presentation

It is understood that the Committee will take evidence in the Riverland on Monday 13 September 1999. I will be unable to meet with the Committee. Mr Jeff Parish of Central Irrigation Trust is aware of the issues presented in this paper and has agreed to discuss the Century Orchards Development with the Committee.

Tony Read
Chairman
Century Orchards