Tasmania set to be new food bowl

New irrigation schemes in Tasmania will help underpin a billion dollar expansion of agriculture in Tasmania to help feed a hungry world, a forum in Launceston heard today.

Agriculture in the State was set to boom with the security new water would bring, Tasmanian Farmers and Graziers Chief Executive Officer Jan Davis told the forum.

The event organised by the Tasmanian Division of Ag Institute Australia attracted more than 100 people to discuss water trading in the new agriculture environment where water is valued at more than $1100 a megalitre.

Jan Davis said Tasmanian agriculture was growing an in impressive 4 to 5 percent a year with predictions that the sector could add another $5 billion a year to the State’s economy.

“Having new water for intensive irrigation will certainly help fuel this boom,” Ms Davis said.

Melbourne investment banker David Williams has shown his confidence by investing $10 million to buy water rights in the new Midlands Irrigation Scheme which has just cleared its final regulatory hurdles.

“I believe food security is a real issue and developments in Tasmania can play a critical role in feeding a developing world,” Mr Williams said.

“This is reflected in the interest from Asia in investing in new water projects in the State.

“The transformation in agricultural production once a new irrigation scheme comes on line is astronomical. There will be increased production of horticulture, dairy and new crops as producers take advantage of water security,” Mr Williams said.

“It’s ironic that Tasmania is forging ahead with new irrigation development at a time when mainland Australia is buying water to take it out of agricultural production.”

“This State has so much going for it with its water, climate and infrastructure to support agriculture growth.
“It’s in stark contrast to northern Australia where tens of millions of dollars invested in the Ord River with its heat, disease and logistical difficulties has been a disaster,” Mr Williams said.

Farmer Rod Bradley told the symposium how water from the Cressy Longford irrigation scheme has transformed his family’s agricultural enterprise over the past four years.

Bradley Agriculture had diversified into dairy farming with pivot irrigation for pastures and an expansion program underway to milk 900 cows. The enterprise also grows seed crops and poppies.

Irrigated farming income now comprises 75 percent of the farming business with 500 hectares developed and potential to double this area.

Mr Bradley told the symposium he was conscious of the big investment in water with the going rate above $1000 a megalitre. He was interested in being able to buy the short term right to use water to secure his business during dry times without tying up capital.

Duncan Loydell from Tasmanian Irrigation said four new irrigation developments which would come on line within the next two years would add 16,000 megalitres to the State’s irrigation resources.

Another four schemes at the pre-feasibility stage could generate a further 20,000 megalitres.

“It’s certainly a milestone for the agriculture sector and the Tasmanian economy.”

“Water trading will be a key to farmers managing their risk and diversifying their production,” Mr Loydell said.

**For further media information contact Ag Institute Australia Communications Manager Gordon Collie on 0409 473343.**
Launceston water forum speakers, David Williams Melbourne, Jan Davis, Tas Farmers and Graziers, Donna Lucas, Tasmanian Division President and Wayne Meyer, University of Adelaide.

Holger Meinke, University of Tasmania with Ag Institute Australia President Mike Stephens, Victoria.