

TRANSCRIPT

LEGISLATIVE ASSEMBLY ENVIRONMENT AND PLANNING COMMITTEE

Inquiry into Securing the Victorian Food Supply

Ballarat – Wednesday 22 May 2024

MEMBERS

Juliana Addison – Chair

Martin Cameron – Deputy Chair

Jordan Crugnale

Daniela De Martino

Martha Haylett

David Hodgett

Nicole Werner

WITNESS

Kain Richardson, Kingston and District Power Alliance.

The CHAIR: Welcome to the public hearing. I will just run through some important formalities before we begin.

All evidence taken today will be recorded by Hansard and is protected by parliamentary privilege. You will receive a draft transcript of your evidence in the next week or so for you to check and approve. Corrected transcripts are published on the committee's website and may be quoted from in our final report.

Thank you very much for making the time to meet with the committee today. Would you please introduce yourself and any title you have and make any opening remarks that you wish to.

Kain RICHARDSON: Thank you, Ms Addison. Thanks for the opportunity for this. I am Kain Richardson, a potato farmer at Newlyn. I am involved in the Kingston and District Power Alliance, which is a community-based group. I was chairing it until I had health problems. I have handed that to Lou, but I am speaking on her behalf today. I am also involved in the VFF through land management and water management committees and the transmission taskforce group. In some of those roles I am not quite as involved as I was.

The CHAIR: We were thrilled to have the President of the VFF speak to us.

Kain RICHARDSON: Good.

The CHAIR: So we have welcomed their contribution as well. But back to you.

Kain RICHARDSON: Back to Kingston and District Power Alliance, we are representing probably the agriculture sector along with the tourism. The country has got some incredible views and scenery. A lot of people come out of Melbourne to holiday and relax here, and then you have got your farming sector, which produces the majority of potatoes and fat lambs for the local McCain's factory, Lamb Weston and Golden Fries, two other processors in Australia. The group was a bit surprised that the terms of reference failed to mention the impact of renewables on food security. There are a lot of downfalls in not doing that. From what I have heard today, there are some serious overarching plans required, and you are looking into that, obviously.

One of the things that has failed to be seriously considered on the ground level is the detrimental impact transmission lines have on an area like Kingston and district. The farm holdings are generally a lot smaller, made up of multiple titles, with highly reliable sources of water due to the high rainfall and the rechargeability that rainfall creates. You cannot just pick potato-growing up, for example, and shift it to Horsham or Mildura. There are patches where there are opportunities, but the bulk of the industry has got a costing of around a certain amount to remain competitive on the global scale. By blowing up one-third of the production for McCain's, which is their storage proportion that makes their factory viable for the other nine months of the year, there are going to be serious flow-on impacts. It is not just McCain's. Lamb Weston and Golden Fries depend on high-quality spuds for storing, and that adds value to their product to get through the manufacturing year.

The irrigation infrastructure has been set up since about the 1970s, so there has been a lot of investment that people driving past do not actually see. You have got underground mains, you have got dams that have been built and you have got irrigation systems which the government supported in reducing emissions, such as lateral and pivot irrigators. There have been conversions to electricity, so we are highly dependent on electricity, ironically. Those individual businesses will be destroyed with a 20 per cent land grab that the easement will take. It turns to a full redesign of the irrigation layout of the farm – that is, if it is viable to go that way. On the back end of it you will probably see a lot of farms exit the industry, which then has flow-on costs to production for the factories that depend on us.

With the fact that the government's own report states that 70 per cent of agricultural land could be required for renewable energy production, it is highly concerning that they still go ahead and want to destroy class 1 farmland. On top of that are the tourism impacts that it will have immediately to the Daylesford and the Trentham areas, with bed and breakfasts dotted through the landscapes. People will not want to come to see transmission lines, as bold as they are. The proposal of 80-metre towers – to put it in perspective, a lot of those

hills beside the highway, which you will drive through shortly, are at an elevation of about 60 metres from the level of the A300, so you are proposing towers that will be taller than the hills. You cannot comprehend just how visible that will make the towers.

Aside from that, one thing, just sitting here and listening, that has been majorly overlooked in an overarching plan is the water infrastructure and the capacity to deliver water not only to agriculture but to regional cities, and at some point there is going to be a massive conflict over where that water goes. Traditionally speaking, in the Kingston area probably the millennial drought is the longest drought on record with locals. I have got a family member that has got records going back to the 1890s, and that 15-year period was one of the driest periods since the 1890s. It shows how reliable the area is, but it also shows just what can happen as far as reduced rainfall goes. Admittedly, the area probably benefited from the increase in temperature through the winter in that drought period. Aside from that, that is the brief of what the Kingston group is about. Fire away.

The CHAIR: Thank you very much for your presentation to the committee today. Could you just tell us a bit more about the Kingston and District Power Alliance in terms of who is in your group? Are they all potato farmers, what are their ages, do they have young families? Tell us a bit about your group.

Kain RICHARDSON: The group is pretty broad ranging actually. I could not pinpoint an age group, because we have got a great selection right through. Probably the majority are on the older end. We have got a lot of tourism operators, retirees that have moved to the area and people that are still working in the city that have moved to the area. They have stepped out of their comfort zones and joined. Well, as we speak, I am one of the old locals. A lot of the old locals do not know the new locals that have shifted into town over 20 years, and the group has actually united a lot of those people. There is a small percentage of farmers involved, purely because there is not a lot of us around. But I think it is a well-balanced, well-rounded group as a whole.

The CHAIR: Other questions from the committee? Martin.

Martin CAMERON: What engagement, if any, have you had from AusNet, if it is AusNet?

Kain RICHARDSON: As a landholder AusNet's engagement has been very limited. Most people have had some form of contact on a nine-monthly basis, a very primitive sort of contact. It generally starts off with an email and then it is a phone call to try and catch up. Very inconsistent on the information – there is no one story. I think even their guidelines for irrigation and the operations around irrigation have changed about seven times since the process kicked off, and I think it was 2019, from memory.

Martin CAMERON: And the engagements to get access to your land?

Kain RICHARDSON: Yes, we have had engagements, but to be fair, they do not pursue it after a certain point.

Martin CAMERON: Okay.

Kain RICHARDSON: Yes. They have hassled a lot – not a lot, but three or four major landholders in the area. They have certainly put the pressure on them in periods, but at the moment most of things seem to be relatively quiet, within reason.

Martin CAMERON: Okay.

Martha HAYLETT: How many people would you say in KDPA are people who will be immediately impacted by the proposed route? Because there is a lot of support from people in the township of Kingston, isn't there? I do not know if you can share with the committee the make-up of landholders that would have a land liaison officer versus people who are supporting those landholders.

Kain RICHARDSON: I would say maybe 15 per cent of the group would be around about the figure, and then there is probably another, pretty quickly, 15 to 20 per cent that are within 5 kays of that easement, roughly, and that is why they have all come together really.

Martha HAYLETT: Can you touch on a little bit, Kain – and we have talked about this before, but for the committee's benefit as well – about just the impact that this is having on people in the district? We were just talking about certainty and that people need certainty in decision-making. One of the big issues obviously is

that people do not have certainty right now. Can you just share a little bit about the impact that this is having on the region?

Kain RICHARDSON: I would say the closest thing to summing that up would be ‘just a farmer’. That will be the phrase for it. Probably they are not even being treated as that in a lot of regards. There is no doubt we want some certainty, and it is going to draw a line in the sand and probably break a lot of people too. But the reality of it is we are ‘just a farmer’. It is quite insulting in a way because of the food we produce and the global recognition for the quality of the food we produce and the ways in which we can go about it considering our regulation costs, our labour costs and our transport costs. We can still compete on a global scale with farmers that are being subsidised up to 20 per cent of their income. I think as far as Australian agriculture goes, they are probably some of the toughest and most well rounded farmers in the world, I would say.

The CHAIR: And that is why they are so highly respected, I think. We recognise with the support that US farmers get and European farmers get, our farmers do extraordinary, extraordinary work. Were there any other questions for Kain?

David HODGETT: Kain, in a previous forum you have talked about crop rotation of potatoes and therefore the size of farms you need to get –

Kain RICHARDSON: Yes. Thanks, David.

David HODGETT: You have also talked about where powerlines run through and you cannot operate. I think you are banned from operating spraying equipment underneath them, and obviously drones and all the modern farming equipment you guys use. For the benefit of the committee can you perhaps just talk to us a bit more about that. And you would have heard the previous question I asked one of the shires: did they have any data or figures on the viability of farms and what might close or how much land you might lose. Does your farm go down to half production or a third production, as an example?

Kain RICHARDSON: Yes, we would probably lose a third of our production straight up. As far as potatoes are concerned, we cannot grow a crop of potatoes, or it is less than ideal to grow a potato crop and then put another one in after and another one in after. We work on a five- to seven-year rotation. I think there has been some information brought forward that about 20 or 25 per cent of the land where potatoes are grown will be impacted by this easement. If you take that out of production, you have then got a one-in-four-year rotation. By bringing those rotations closer you create biosecurity issues and the build-up of disease. Over a 20-year period, where you would normally have four crops, you will now be doing four crops in 16 years. Things like PVY, blights, scab – those sorts of bacteria, viruses and funguses that love potatoes – will get to a stage where they are unmanageable, and this has been proven by farming practices in Europe and America, where they have continually cropped places. They have got to the stage where there is a chemical resistance and they have not got any tools left in the toolbox, and they are having to go back to the start with regenerative farming practices and break the rotations. Fortunately, Australia, while it is still young, has got the ability to learn from those mistakes, and I would think that putting major infrastructure through a district where it impacts the rotation by so much and then creates biosecurity problems, which then flow on to export opportunities and possibly even import opportunities, is a bit backwards thinking.

David HODGETT: And in addition to that, I also think I have seen the figures or discussions about how much – all your potatoes go to McCain, or the vast majority?

Kain RICHARDSON: The majority. Probably 85 per cent go to McCain.

David HODGETT: Marty has got Thorpdale down his way, so he has got potato production there. Have you had any discussions with McCain about how, if they lose the access to available potatoes, where they source the rest of theirs from or what the impact is going to be on them in terms of the business here?

Kain RICHARDSON: I think their original statement back in 2022 was, ‘There is no short-term risk to supply, but we stand with growers to help them retain class A land for agricultural purposes, and in the long term, reduction in grower productivity in the Ballarat area will add price pressure to raw potatoes and therefore affect grower competitiveness with imports.’ I think that pretty well states where, at least, McCain is at.

David HODGETT: All right. Thank you.

Kain RICHARDSON: I am hoping – that is two years old, that statement, I think.

The CHAIR: Any last questions? I am very conscious of the time.

Thank you very much, Kain, for making yourself available for questions and being here today.

Committee adjourned.