

# Food bowl vision worth every last drop



PETER MATHEW

Tasmanian Irrigation chief executive Chris Oldfield, near Tunbridge in the state's Midlands area yesterday, says investment in irrigation schemes has been a godsend

**SUE NEALES**  
RURAL REPORTER

SO sure is investment banker David Williams that Tasmania has a future as a farming oasis, he spent \$10 million buying every last drop available in an irrigation scheme that is still two years from completion.

As farmers and irrigators face cutbacks to water under a plan to restore the health of the nation's primary food bowl, the Murray-Darling Basin, Mr Williams this week snapped up all the irrigation water rights still on offer in Tasmania's dry Midlands region.

The head of boutique investment bank Kidder Williams bought 8481 megalitres of annual water entitlements, with an unusually high 95 per cent supply guarantee every year, making him the first bidder to acquire Tasmanian water rights without owning any land.



DAVID GERAGHTY

Investment banker David Williams has spent \$10m on water

The water was effectively bought "off the plan" by Melbourne-based Mr Williams two years before the \$100m Midlands irrigation scheme linking Arthurs Lake by pipes and pumps

to the headwaters of three major rivers will be finished.

A newcomer to the water game, Mr Williams, who is a former managing director of both Challenger and Mariner Finance and

former chairman of Tasmania's biggest salmon company Tassal, denies he wants the water to speculatively trade for vast profits or to fulfil ambitions of becoming a water baron.

Instead, he has visions of now-dry sheep paddocks full of ring-barked tree skeletons being turned into rich fruit farms and lush irrigated dairy pastures.

"I've been watching what's happening in Tasmania for some time," Mr Williams said yesterday.

"The water is not screamingly cheap at \$1130/ML, but what is cheap down there is the value of dry land without water attached to it.

"So for me it's a land play; it's about buying the water first and then having plenty of time (while the irrigation scheme is being built) to work out where I might buy land to go with it and what I will put on it."

For Chris Oldfield, head of the state government's Tasmanian

Irrigation, the arrival of a heavy hitter such as Mr Williams on to Tasmania's fast-changing agricultural scene was a godsend.

Two of his irrigation developments, including the Midlands scheme in which Mr Williams has now invested, were in danger of not going ahead because local landholders and farmers had been reluctant to take up their priority first-refusal rights to all 38,000ML of water available.

Now Mr Oldfield hopes Mr Williams's surprise move will bolster the prospect of national and international dairy companies such as Bega Cheese, Fonterra and Murray Goulburn turning to Tasmania in their search for greener pastures. "To be able to buy irrigation rights at \$1130 a megalitre for water that will be delivered 95 years out of 100 is very rare indeed, and David Williams has figured that out," Mr Oldfield said yesterday.

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## NEW FOODBOWL



Source: Tasmanian Irrigation

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"He has been prepared to take a courageous step, move first and spend \$10m even before the schemes are built, which is a great vote of confidence in agriculture in Tasmania."

For Mr Williams, nut crops such as almonds, chestnuts, hazelnuts and walnuts appear to hold the brightest potential in the crisp Midlands region.

There is also the added attraction that nut trees planted on cleared sheep paddocks might also earn additional carbon credit payments in the years before the trees bear their first commercial nut crop.

But creating a new dairy heartland based around the traditional fine wool capitals of Campbell Town and Ross is Mr

Williams's other dream, helped by his experience as a long-time corporate adviser to the newly floated Bega Cheese group.

He believes many mainland and international food businesses have not yet cottoned on to the value of cheap farmland in Tasmania and the big opportunities its nascent irrigation program offers early adopters.

But neither have its farmers, Mr Williams fears.

Under the Midlands scheme, the amount of irrigated farmland around Oatlands, Kempton, Ross and Campbell Town will be expanded by 55,685ha.

Premier Lara Giddings is relying on the Midlands project and 12 similar irrigation schemes to turn the Apple Isle's stagnating economy around.