



Cotton takes off

The cotton industry is booming in New South Wales' Murrumbidgee Irrigation Area thanks to reliable water, new varieties, and a string of new ginning facilities.

By Nathan Dyer

It's a hot February afternoon in Whitton, New South Wales, and local farmer George Commins is a happy man. With the temperature nudging 35 degrees, the 28-year-old cotton grower says the heat is ideal for his ripening crop. "It's beautiful, it just finishes off everything perfectly", says George.

With 1,700 hectares planted this year, George, who farms with father Roger and uncle Tim about 25 kilometres west of Leeton in the lush Murrumbidgee Irrigation Area (MIA), says cotton interest in the traditionally rice-focussed region is at an all time high. "As a new industry, it's probably the most exciting thing in agriculture in the area at the moment, and it's great to be a part of it," says George.

Over the past five years, the 660,000 hectares Riverina scheme – about 20 percent of which is planted to irrigated crops – has seen a boom in cotton plantings driven by reliable water and new, genetically modified varieties suited to the shorter southern growing season.

» All along the river there are laser buckets going, every farm is changing to new, more water efficient irrigation layouts. « *Heath McWhirter*

The area planted to cotton has more than doubled from 18,000 hectares in 2011 to 44,000 planted in the MIA this season. Although local growers budget on a yield of 10 bales per hectare, the best Murrumbidgee Valley crops last year yielded up to 15 bales per hectare.

As water continues to be a concern in traditional cotton growing regions further north, around the towns of Narrabri and Moree in New South Wales and Goondiwindi and St



George in Queensland, growers in the MIA will this year produce about a fifth of Australia’s estimated 2.4 million-bale crop. Picking of this year’s crop – most of which is destined for Chinese cotton mills – will be finished by late May and is expected to return about \$250 million to Riverina growers.

With many farmers locking in prices of more than \$500 per bale on global futures markets, and cotton seed selling for around \$350 per tonne, optimism is high in the snow-fed Murrumbidgee system.

WATER IS KING

Like any irrigation area, water is a key factor for cotton growers in the MIA. Although high security water allocations remain above 90 percent in the area, general security allocations have dropped to 36 percent. As a result, the cost of temporary MIA water has increased more than 30 percent in the past 12 months.

According to local Elders agronomist, Heath McWhirter, that makes cotton even more attractive to farmers focused on maximising their return per megalitre. “All along the river there are laser buckets going, every farm is changing from old, inefficient layouts to new, more water efficient irrigation layouts, to get the water on and off quickly.”

With water efficient “bankless channel” layouts, Heath says local cotton producers are achieving returns of about \$250 per megalitre, compared to about \$150 per megalitre for rice.

And it’s not just rural bank balances benefiting from cotton, environmental returns are also improving. Riverina farmer Tim Commins says new varieties and improved irrigation systems have seen Australian cotton growers increase water efficiency by 40 percent over the past decade, while genetic modification technology has cut insecticide use by 90 percent.

“We budget on 10 megalitres per hectare to grow cotton,” explains Tim. “By comparison, we used to budget for 16 megalitres per hectare with rice.”

GINNING COMPETITON

Back in Whitton, Kate O’Callaghan is busy planning for another bumper harvest. General manager of the grower-owned Southern Cotton gin, Kate has been at the centre of the industry’s rapid Riverina expansion.

“There’s a real buzz and excitement around the area, and there are a lot of young people getting into cotton. That’s really good for the region,” says Kate.

Commissioned in June 2012, the company’s \$25 million gin will this year pass the 900,000-bale milestone. As the industry



- 1 Riverina cotton growers, brothers Tim and Roger Commins, on their Whitton farm.
- 2 Cotton growing on the Commins family property at Whitton.
- 3 The Gogeldrie Weir on the Murrumbidgee River, near Whitton.
- 4 Southern Cotton general manager Kate O’Callaghan with cotton modules at the company’s Whitton gin.



5 Darlington Point cotton grower John Ryan, who gins at the new RivCott facility in Carrathool.
6 A road train transports cotton modules to a Riverina gin.

expands, competition for ginning business is intensifying. A new grower-backed gin at Carrathool, 95 km west of Whitton, and cotton giant Auscott’s new gin at Hay, along with Namoi Cotton’s established gin further north at Hillston, will all compete for Murrumbidgee Valley customers this year.

Heath McWhirter says that’s good for local growers. “It means there’s competition on gin price, and there’s also better speed of payment,” says Heath. “Growers get paid two weeks after ginning, so if there’s more ginning capacity you’re going to get paid sooner.”

Kate O’Callaghan says with growers as far south as Corowa now showing interest in the fibre crop, southern NSW cotton production will keep growing. “There’ll be more than enough cotton for three gins,” she says.

WORKING TOGETHER

Another attraction for local cotton growers is the communal nature of the industry, says Heath. Unlike other crops, Australia’s insignificance in the world cotton market – we produce less than three percent of the global crop – means local farmers can expand aggressively without affecting prices.

“Previously most farmers around here were growing summer crops such as rice, corn and soybeans, which have prices affected by domestic consumption,” says Heath. “But with cotton, the more output, the better ginning and freight prices, and the more efficient it is for everyone.”

Twenty kilometres east of Griffith, Campbell Dalton is well into his second cotton season. After good returns last year, the Daltons have expanded their plantings ten-fold to 300 hectares at their Yenda property. The 28-year-old former Cargill grain trader says the cooperative nature of the industry



There's no better way to run



Successful spraying application is based on a simple insight: if you want higher productivity and lower costs per hectare, you need a machine that performs better all round. You need a tried and tested solution for consistent application that is supported by a strong dealer network.

At John Deere, we understand this and consequently we offer a complete range of performance-proven self-propelled sprayers that are a winning combination of precision application, intuitive controls, the latest technology, smart time- and money-saving solutions and comfort.

Every sprayer we produce is a guarantee of quality and reliability.

Speak to your dealer today about how John Deere sprayers can help you protect your crop. *Nothing Runs Like a Deere*™



JOHN DEERE



7

is one of its big attractions.

“With corn, for example, it’s really just a small domestic market so you’re essentially competing against each other and it’s a closed loop,” says Campbell. “But with cotton, the stronger the industry is the better it is for all of us; and knowledge sharing and information sharing is one of the best aspects about growing cotton, especially for us younger blokes.” ■

7 A cotton picker harvests a crop near Darlington Point in the NSW Riverina.

8 Whitton farmer George Commins in the cabin of his cotton picker.

9 Cotton Australia regional manager Honi Anderson says water is the number one advantage in the region.



8



9