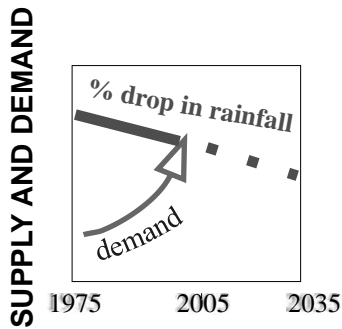


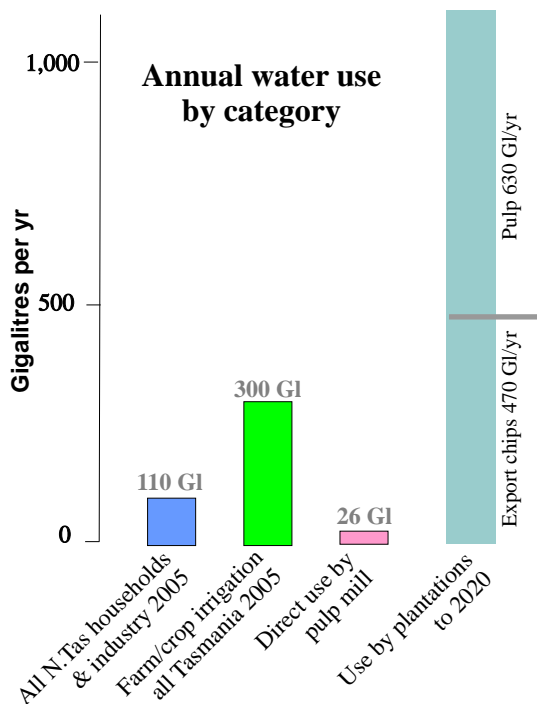
Is there enough water for a Tamar valley pulp mill?

Existing water resources are under stress. Is the government sure that there is enough water for everyone? What if the government is wrong? Who will miss out? What will it mean to Tasmania? To you?



Declining supply. Annual rainfall has already dropped by 7-10% in the north and east since 1975 (upper thick line). In the St Patricks and North Esk catchments, autumn rains have typically failed (L'ton City Council 2002). Global warming is expected to lower annual rainfall by a further 8% by 2030 (Tas govt draft climate change strategy 2006).

Rising demand. National forest policies (RFA, 2020 Vision and MIS) take little account of the large amounts of water required to grow plantations. Since the signing of the RFA in 1997, the annual woodchip cut in Tasmania has more than doubled and is projected to nearly double again by 2020. In addition, the State government plans to license farmers to more than double their diversion of water from rivers for irrigation from 2000 to 2015.

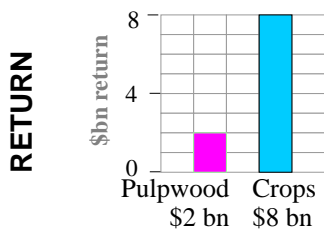


Impact of the proposed wood supply on available water

Each year, the proposed pulp mill will consume nearly the same amount of water (26 G) as that currently supplied for domestic and industrial use to northern Tasmania by Esk Water and the Cradle Coast Authority (29 G) and another 81 G for heavy industry for a total of 110 G. But this is a fraction of what is required to grow the trees and the demand for water will rise with more plantations.

Plantations of thirsty young trees draw large amounts of water from the ground. Growing 7 million tonnes/yr of wood for the pulp mill as well as the chip export market comes at a cost of around 1100 G/yr of water. This amount is over and above that normally used by pastures and native forests before they were converted to production forestry.

Note: 1 gegalitre (G) = 1000 megalitres (M) = 1 thousand million litres = 1000 Olympic swimming pools.



Best return on water investments

One megalitre of irrigation water conservatively adds \$500 to the value of crops at the farm gate (DPIW). Over 15 years, the potential value of 1100 G/yr of irrigation water used to grow crops, is about \$8 billion. Over the same period, the total value from the same area growing trees and sold as pulpwood, is around \$2 billion. On good soils, crops deliver four times more value for our water investment.

When plantations take too much water, everyone downstream misses out! Water consumed by plantations is unmetered, uncosted, unpaid and unavailable to downstream users. The State has no legislation to regulate water diversion from rivers by the rapidly increasing area of plantations. The RPDC believes it does not need to assess the impacts of wood supply on water use. Choosing to export more and more water in the form of woodchips and pulp will benefit some in the timber industry but carries large hidden costs that will have adverse ramifications for many businesses, as well as for the Tasmanian economy.