

MEDIA RELEASE August 17 2017 IF RAPAD EOI SUCCESSFUL ONE MILLION SHEEP PUT BACK INTO THE WEST

The data from the Remote Area Planning and Development (RAPAD) Board's recent cluster fencing Expression Of Interest (EOI) has been analysed and if funded, when combined with current Round 1 and 2 fencing projects, would see:

- 1,000,000 sheep in central western Queensland;
- 2.2m ha fenced;
- 174 properties involved;
- \$3.76 regional benefit per year for every \$1 of Government expenditure; and
- \$1.18 increase in gross margin every year for every \$1 that a producer spends on CAPEX.

Andrew Perkins, Director at Williams Hall Chadwick, who is heading up the economic analysis of the program said "at the beginning of the project 15 months ago we set the aspirational goal of after 10 years to have 1,000,000 sheep in the RAPAD QFPI region thanks to cluster fencing. Looking at the numbers with round 1 and 2, and if the EOI is successful it has the potential to allow sheep numbers to expand to 1,000,000 without further fencing that will occur over the remainder of that 10 year period".

Mr Perkins continued "I have calculated a new metric based on the recent EOI data and for every \$1 the property owner contributes to the cluster fence, they get an increased Gross Margin of \$1.49 per year".

"In other words, payback in 1 year. It seems unreal but that is the way the numbers come out. If a producer spent \$105,000 on their contribution to fencing they would see an increased gross margin of \$157,000. This is true regional economic development".

This data is supported by the recent Regional Australia Institute report which highlighted bringing back the sheep as one of six priority areas for RAPAD and the region.

The RAI report indicated cluster fencing could provide "potential regional economic growth to \$38.8m annually through increased gross margin from sheep production, stimulating jobs for an additional 158 people in the industry".

 (07) 4652 5600

 info@rapad.com.au

 117 Eagle Street | PO Box 592
Longreach Q 4730

 @RAPADCWQ

 Like us on Facebook

Mr Perkins recently spent several days in the region meeting with a number of the RAPAD clusters and a key theme from all meetings was that fences were delivering control, confidence and investment.

“As the fencing projects are nearing completion cluster members felt they were gaining financial and environmental control of their properties and operations and this control gave them confidence to look to the future and invest in hiring more staff and providing jobs and additional infrastructure. This is almost the opposite to what producers would probably traditionally be thinking after five years of drought and looking towards what could be another dry summer” Mr Perkins said.

Cr Rob Chandler Chair of RAPAD agreed with these sentiments. “People keep coming up and telling me we know that next year we will be fenced and we will have stopped everything from the outside and we can just work on what is inside. To me confidence is the return landholders are currently getting, confidence about their futures from the achievement of getting fences in place. Producers getting control back will be a massive thing”.

Regarding the recent RAPAD cluster fencing EOI applications were received from:

- 10 clusters of 50 properties wanting to fence 1,054km to protect 613,138 ha;
- \$3m funding required from Government matched by \$5.2m private investment;
- Expected sheep numbers growth of 268,483, from 70,249 to 338 732;
- Expected net increase in jobs of 53, from 23 to 76; and
- Expected increase in sheep gross margin of \$10.2m, from \$1.5m to \$11.7m.

Cr Chandler continued “the board made the commitment to approach Government asking for an additional \$5m for cluster fencing in the region and we presented the Premier with this request when she visited Ilfracombe earlier this year. This EOI data demonstrates to Government the ongoing desire and economic return more funding will bring to our region”.

“This funding is about more than a fence, this is regional economic development. It’s about creating jobs in the region, empowering people and giving them back control of their time, finances and wellbeing and delivering the most significant industry infrastructure for decades” Cr Chandler continued.

Reinforced by the findings of the RAI report, RAPAD continues to advocate to the Queensland and Australian Governments for the progression of strategic cluster fencing in the local government areas of Barcaldine, Longreach, Blackall-Tambo, Winton, Barcoo, Boulia, Richmond, McKinlay and Flinders shires.

The Queensland Feral Pest Initiative has received funding through the Queensland Government to support the growth of a productive and prosperous food and fibre sector in Queensland and the Australian Government Agricultural Competitiveness White Paper, the Australian Government's plan for stronger farmers and a stronger economy.

For more information please contact
Andrew Perkins, Director, Williams Hall Chadwick, 0411 266 843
Rob Chandler, Chair, RAPAD 0427 512 314
David Arnold, CEO, RAPAD 0428 583 301

Ends.