



Speech by

**HARRY BLACK**

**MEMBER FOR WHITSUNDAY**

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Hansard 11 November 1999

#### **ST GEORGE IRRIGATION AREA**

**Mr BLACK** (Whitsunday—ONP) (6.08 p.m.): I rise to second the motion moved by the member for Lockyer. In supporting the member for Lockyer, I would like to enlighten the House as to the background of the difficulties being experienced by farmers in the St George irrigation development scheme.

Beardmore Dam, and other public infrastructure in the St George irrigation undertaking, was designed principally to service the farms in the St George irrigation area. However, in spite of the fact that the Beardmore Dam only just coped in the 1970s and the 1980s, in 1989 the Ahern Government distributed entitlements to its cronies to extract more water from the dam. Since this distribution occurred, the Department of Natural Resources has surveyed the dam impoundment and has found that it is only 80% of the design capacity. The situation is that the Government has a dam that was grossly overcommitted as regards its design capacity; it is only holding some 80% of that capacity.

The owners of properties adjacent to the Balonne River were granted the right to take sufficient floodwater to provide for the construction of economic on-farm storages. As private storages were constructed on riparian properties in the early 1990s, farmers could not utilise water from public storage.

The Government's response to this has been to allow such property owners to accumulate and park entitlements to water in public storage, effectively taking the storage out of service. I am advised that the department's own modeller has shown that the effect of the Government's actions has been to reduce the area that can be safely watered on a farm reliant on public works from 75% on average to 25% on average. It is not economic to produce 50 hectares of cotton on a farm set up to produce 200 hectares of cotton. Consequently, the farmers are forced to gamble on the river running in the early summer months. I am advised that, following good flows in the river early in the year, there should be sufficient water in storage to sustain this year's crop until after Christmas, even with the increased demand.

However, on 1 October the department announced a water allocation of only 15% for the current crop. That means that property owners will progressively run out of water from late November. Despite the fact that there has been a good start to the summer season, the probability of the river running prior to the farms running out of water is not great. Consequently, the farmers stand a good chance of losing their crops.

The department has established a register of buyers and sellers in an endeavour to avert a catastrophe by redistributing the available supplies. However, the system does not work very well. Property owners tend to hold off on selling water until late in the season when they are able to realise much higher prices. That is considered to be an iniquitous approach to solving the problems in the development. As a consequence of the Government's failure to administer in a fit and proper manner, riparian property owners are able to effectively take water from the cotton industry pioneers in the St George irrigation area and then sell it back to them at extortionate prices. It must be remembered that the vast majority of riparian property owners receive their entitlements free of charge while the farmers in the St George irrigation area bought their farm entitlements at public auction or by private treaty.

The Government's policies are redistributing and concentrating wealth in the St George community. Furthermore, they are restructuring the industry and pushing out the smaller producers. Those effects are not due to market forces but are administrative decisions. I call upon the Government to clean up its act and get on with building the off-stream storage.