



Speech by

**JOHN MICKEL**

**MEMBER FOR LOGAN**

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Hansard 11 November 1999

### **ST GEORGE IRRIGATION AREA**

**Mr MICKEL** (Logan—ALP) (6.45 p.m.): After listening to that contribution, I say that, if honourable members did not believe the farmers had enough troubles, they have a few more with One Nation in their corner. The fact of the matter is that the Government recognises—and I know that the previous Government did, too—the valuable contribution that the primary producers in the St George area make. They make a significant contribution, particularly the cotton farmers and with the wide range of other producers who were listed by the honourable gentleman from Kallangur.

The cotton farmers of St George are also joined by the cotton farmers in Goondiwindi. What have they done? They have achieved a world export market and created great numbers of jobs in those small towns for all the people who depend upon them. That is a significant contribution. However, it is being undermined at the moment by the US with its subsidy scheme for its own farmers. Our cotton farmers are the best in the world and there they are again being threatened by the US farmers.

We are not taking a bandaid approach to this, hoping it will all go away. It has been the priority of this Government since it came to office with a range of action to take and provide long-term economic security for the land-holders and their families. The Honourable the Minister went to St George within four months of the Government coming to office and gave the go-ahead for the Beardmore west storage cell. An independent consultant was set up to take a look at the filling rules for the water storage. We have undertaken two canvasses of irrigators over the past 14 months to develop a solution. The Honourable the Minister has fast-tracked the water allocation management plan—the WAMP—for the Condamine and Balonne. So we have a plan that helps maintain river health and, therefore, the availability of water for the long term. The Government is working with irrigators on future water sharing arrangements.

When one actually speaks to the land-holders themselves, as opposed to One Nation's approach of reading set prepared speeches to them, one discovers that they do not see infrastructure as the only solution.

**Mr Hayward:** One Nation focus on the hole and not the donut.

**Mr MICKEL:** They focus on the hole and not the donut.

Any suggestion that there is only one solution fails to understand the complexity of the problem. The fact of the matter is that there is a view widely and honestly held that more dams will simply add to economic growth in rural areas. We recognise that, but we need to be careful about the planning, and that is exactly what successive Governments have done. They have been very careful about the planning, because we know only too well that, if we do not plan it properly, we end up with a fiasco such as the Neil Turner Weir which, rather than being full of water, is I understand simply full of sand.

The degradation of rivers simply does not help rural communities. Degraded rivers deteriorate water quality. It will ultimately result in rising salinity in ground water and soils in farming areas and the continued depletion of fish stocks. Reform needs plenty of time in rural areas; we recognise that. It needs time for adjustment. But I believe over time benefits to the rural areas can be realised.

At present, 40% of irrigation water goes to low value pastoral activities. Work carried out by the Murray-Darling Basin Commission found that average gross margins per megalitre range from \$100 to \$120 for soy beans, from \$180 to \$200 for rice and wheat, are \$550 for tomatoes and are \$1,000 for grapes. In other words, proper reform can lead to the development of high profitability crops.

If honourable members need any other example of this, they should look to the wine industry. There has been a 25% increase in volume and exports, to a record \$813m this year. I heard the honourable member for Barambah say today that the wine industry is one of the growth areas in her electorate. Why would it not be, when farmers are receiving those sorts of returns?

Let us look at the St George area, which used to be a sole grazing area. It now supports a proliferation of activities, from cotton, grapes and horticulture to potatoes, as we saw in this week's Queensland Country Life. It quite rightly states that potatoes are moving west. In other words, farmers are not mugs. They are able to assess the economic realities for themselves. They are taking advantage of high economic returns from those products. That is underpinning rural activity and underpinning jobs in rural areas.

Time expired.

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