



Speech by

Mr M. HORAN

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WATER AMENDMENT BILL

Mr HORAN (Toowoomba South—NPA) (Leader of the Opposition) (10.46 p.m.): This is a very important debate tonight because we are talking to a bill that will go down in history. When it was put through in the year 2000 it was one of a number of bills that were gagged during that parliamentary term. All of them were important bills and almost without exception they were all called on for debate late on a Thursday or Friday and gagged. As a result of that and the fact that we were not able to adequately go through all the clauses in detail and raise our concerns about that particular bill, here we are again some 12 months later with a huge number of amending clauses in this Water Amendment Bill. Again, more amendments have been tabled by the minister to amend these amendments even further.

Tonight we are debating one of the most important issues in Queensland. Water is the absolute lifeblood of many regions in this state. In many parts of the state it is that water which is bringing about any economic prosperity or economic development and jobs. Our state has the worst unemployment figures of mainland Australia. Unless we start to understand the importance of water in some of the regional areas of the state and the way that water provides a large number of jobs for the people working not only directly in various irrigation schemes or farms but also indirectly in all the associated light manufacturing, transport, exporting and packaging industries and so forth, we will never really come to grips with the reasons why Queensland continues to come last in the nation when it comes to unemployment figures.

As I said, we are talking about one of the most important issues in the state. If we would like to see our state prosper, we should look at those parts of the state that have developed based on water. We should have a look at St George, Goondiwindi, Gympie, Emerald and parts of the tableland where there has been flexibility and opportunity provided by the availability of water. Honourable members should fly over the Condamine when there is a bit of water around and have a look at the green belt that extends east of the Condamine and, in some cases, west of the Condamine in that irrigation area. In dry times people do not have to go very far to see that suddenly the downs is brown, which means that there is not the production that there should be.

The Condamine area has something like 200 or 300 ring tanks, all of them worth at least \$500,000 to \$600,000 with their associated infrastructure. That is an enormous amount of money to spend, but some of those tanks have never had a drop of water in them. Some may have been built two or three years ago with a vast amount of capital expenditure but there is no water to put in them. Honourable members have to remember that I am talking about an area that relies upon a number of sources for its water. It relies upon bores, some of which are getting so deep they are becoming mining operations. It relies on overland flow, and the bill refers in particular to moratoriums on overland flows captured across laser-levelled properties caught in the sump and sucked into the ring tank. It also relies on natural river flows in a good season, which is extremely rare. It also relies on allocations from water storages. The combination of those water sources provides the lifeblood of these properties in those areas, particularly the Condamine-Balonne Basin. In years gone by there has been talk of building other dams further up the river at Elbow Valley, but the water that would be stored there would be stored on the properties anyway because of the ring tanks and the lifter pumps.

I started my contribution to the debate by talking about the Water Bill 2000. All members on this side of the House and all irrigators recognise that water is a finite resource and that there is a need through proper science and a correct approach to ensure that irrigators who have water now are able to retain their allocation or very close to their allocation in the future. We also recognise that irrigators in other areas may have some growth in their allocation in the future and that those who do not have irrigation at the moment—for example, those in the mid-section of the Condamine-Balonne—may get irrigation in the future. However, we have to keep in mind that this has to be done honestly and accurately. As a result of what has happened over the past year or two, there is a great mistrust amongst irrigators and a great fear. If these irrigators were not on the land they would be professors of water hydraulics at the university. They know so much about extraction and how to use the resource after years of developing these systems and sharing knowledge and through the sheer pain of putting their hands in their pockets or borrowing from the bank to put these systems in place and ensuring that they are efficient.

The irrigation areas we are talking about are the most efficient in the world and have the highest crop yields in the world compared to the corn yields and other broad-acre yields in Kansas in the United States. These irrigators have some of the best farming expertise in the world. When it comes to water, flows, extraction rates and their understanding of the issue, their expertise is exceptional. These people were dismayed to see that when the WAMP process was put in place it was technically flawed. It is important to note that it was the philosophical view of the previous minister driving the department rather than his saying, 'Let's get this right. There are a number of things we have to balance. We have to balance the health of the river.'

The original WAMP showed that the river was healthy. Despite all the ring tanks and the extractions taking place, the health of the river was maintained because of the Leslie Dam and the allocations for water flows for the river and irrigation purposes. The original WAMP showed that it was an environmentally healthy river and was in as good a condition as it was years ago. Members have to bear in mind that in dry times the Condamine in its own natural state was just a string of puddles. The vegetation and the native life that abounds in the river have adapted to those circumstances. However, the confidence of these highly professional irrigators has been shot to bits because a technically flawed WAMP process is under way, a process driven by philosophy rather than the principle of getting it right. Of course, the subsequent court case has further shattered people's confidence. The department had to withdraw from that court case due to, once again, technical flaws and the incorrect use of data. Instead of using good data, data was selectively chosen to give the desired answer. Therefore, there needs to be a process put in place which rebuilds the confidence of the people. People have to believe that they will be treated fairly.

There are people in these irrigation areas who, under the original technically flawed draft WAMP, were going to lose somewhere between 10 per cent and 90 per cent of their water allocations. These people have built up operations. Not long ago—maybe 30 years ago—many of those areas were running sheep on treeless plains. The plains will not grow trees because the black soil is cracking. They have now been built into very productive properties with high yields, efficient water use, laser levelling, lots of machinery, flexible cropping programs, new initiatives in insect and disease control and export opportunities. As a result, this has become one of the great areas of the state in terms of producing jobs and providing jobs for people through the whole cycle.

We then saw the introduction of moratoriums. I know people who have been devastated by these moratoriums. A young married fellow involved in an engineering surveying business he had established was doing reasonably well. All of a sudden when the moratoriums were introduced, his work stopped. The people involved with earth moving and contracting went to enormous expense to hire extra equipment and machinery to get the contracts done in time. They got it done in time and the moratorium was changed and extended. They lost a lot of money by endeavouring to comply. The whole thing has been a real dog's breakfast. It is a real disaster when one sees the workers, the contractors, the machinery that lies idle and the way that things just stopped. Worse than that is the time it has taken. How long is needed to get the WAMPs done accurately? Why can't they be done right the first time and get the principles right? Why can't those opposite have the concept and the principles that we on this side of the House espouse regarding the principles of property rights to water and proper and due compensation?

Irrigators have bought these places and spent a lot of money, but the industry is not going well at the moment. There have been good years in the past with cotton, but even its price has come down. Many of the contracts were sold at 60c or 70c in the dollar, and the dollar is 50c now. There are those problems, as well as the drought that has affected broad-acre crops. There are people hanging on by their toenails and fingernails in some irrigation areas. Much of it is as a result of the uncertainty that is occurring at the moment. That continued uncertainty drives the banks to look more closely at operations.

Farmers cannot go to the bank and say with certainty, 'Over the next five years, this is how we'll restructure. This is how we're going to rebuild.' They cannot go to the bank and say 'We've got a certain amount of water. At least if we get 50 per cent or 60 per cent of that in a dry year we can survive, but we know that this is our total allocation and we can work on percentages from there.' They are not able to go to the banks with certainty. They are not able to go to machinery dealerships with certainty to replace ageing equipment such as tractors that have done 12,000 or 15,000 hours. They are not able to employ people. Rather, they undertake their own operations for longer. They are not able to plan anything for the future. It has provided uncertainty about what is going to happen, uncertainty about their asset value, uncertainty in dealing with their bank, uncertainty about the future and has created a great mistrust of the government and the department.

In this time of decision making, a time that requires timeliness and accuracy, they do not trust the government to come up with the correct answer in this whole process because it has been driven by the minister's predecessor, who had a philosophical view rather than a desire to do the right thing by these people.

We can add to that some of the SunWater problems that exist across the state. People who have never before contemplated not paying their bills are simply not paying, because they know that they are being treated as a milch cow for the government by providing a dividend through SunWater. They know that in places such as the Burdekin, where they are being charged about \$8 a megalitre, which is well above what they should be charged. They know that in those areas in which they are campaigning against the government. Whether it be the Atherton Tableland, the Proserpine area, the Burdekin or the Emerald area, people know that they are being touched up by this government.

These people know that under COAG principles the government only has the right to get back from them the cost of the provision of the water and fair maintenance and repair of the particular irrigation system. There is no allowance for the government to make a profit out of these people. Members should bear in mind that water is one of the major components of these people's expenditure. If the government is to make a profit out of them, it is just not possible for them to make a profit out of their crops, particularly when prices are low. It is then not possible for them to maintain the small businesses in the towns—small businesses in Ayr, Home Hill, Mareeba, Emerald or Proserpine—that rely upon the farmers to make a small profit so that they can continue to grow their business, to employ staff, to replace equipment and machinery and so forth. The principles the government is applying to SunWater are so wrong. This does not apply only to the irrigators. It also applies to towns such as Bundaberg, which is having problems with the price the government is trying to charge the council for water.

On top of that, the board that runs SunWater does not have an irrigator member. There is not one single irrigator on the board that sets the policy, makes the decisions and runs the operation of SunWater. How stupid is it that the board does not have even one irrigator who understands some of the issues we are raising tonight, who understands what is involved in the funding, capitalisation and operation of these properties, who understands the scheduling of water and the need to have water at the right time—at planting, four weeks after planting or at setting of flower—and all those things that are so essential to the system. There is not one person who understands the very basics of irrigation—the provision of the water, the pricing of the water and the value of that irrigation to the regional towns and cities of this state.

The greatest flaw in the Water Act and the policies of the Labor Party is that they do not recognise water property rights. They do not recognise a right of appeal for these people. They do not realise how important this asset is. They do not realise that these properties are being bought and that infrastructure is being put in place on the basis of water allocations that have been granted or provided. Loans have been taken out to put in this water infrastructure and to buy machinery and equipment on the basis of water allocations. People cannot have their lifeblood taken away from them. Government cannot just cut off the operations of some of these towns such as Dirranbandi, Goondiwindi, Emerald and the Burdekin towns. The government cannot just cut them off. There is a real world out there in which people are repaying loans and endeavouring to do the best they can by their families and communities. Anybody else who had to bear the pain of making some adjustments to particular entitlements and rights in the greater interest of our nation, be it the environment or any other aspect, would have some payment or compensation paid by all those people of Australia who would supposedly benefit from the particular cutbacks.

The facts of life are that in many instances all of these environmental matters have been dramatically overstated. The river health of the Condamine is good, as the original WAMP showed. The minister should go to all of these properties and look at the nature strips they put in place, at the way they look after the river banks and at the cultivation systems, the laser levelling and so on. He should have a look at the strip cropping and at the way the land is producing better and better crops because the health of the land is maintained by the innovative systems that have been put in place.

We are talking in all cases about highly professional, well balanced, environmentally balanced properties and operations. People in the southern states scream and give out the wrong figures about how much water crosses the border. There are Queenslanders who will rely desperately on the Water Act, the regulations and the decisions made in order to survive and maintain good family businesses. These are honest, decent people who deserve a fair go. They deserve accurate science. They deserve to have a principled approach taken to this issue. They deserve to have compensation if something which has rightfully been theirs has been taken off them. They deserve the ordinary, democratic right of appeal which everybody else has when things are taken off them or significant changes are made in the interests of the community or an interest. All of those principles have never been in the Water Act. I refer to the way SunWater has operated. Some of the water scheduling has not been good. We have lost good, experienced people who knew how to allocate water.

Time expired.