



Speech by

ROSA LEE LONG

MEMBER FOR TABLELANDS

Hansard 7 November 2001

WATER AMENDMENT BILL

Ms LEE LONG (Tablelands—ONP) (10.36 p.m.): I rise to speak to the Water Amendment Bill 2001. There has been no time like the present for towns in my electorate to realise that without the rural sector there is no future for the towns. And without the towns there will be no future for the cities. Irrigation water plays a huge part in the survival of our rural communities.

There are many different ways of conserving water and in southern and central parts of Queensland ring tanks are a common method of water storage. It is pleasing to see some relaxation of the rules in favour of the farmers with the extension of the moratoriums that will enable them to complete unfinished construction work. In my electorate we already have a large dam which has been operating successfully for about the past 50 years. Now with the introduction of the corporation called SunWater, which has two shareholders—namely, the Treasurer and the Minister for Natural Resources—everything has changed.

As a corporation, SunWater has come up with rough estimations and called them lower bound and higher bound costs. Irrigators in the Mareeba-Dimbulah irrigation area believe they are already achieving lower bound costs. However, they believe government has split the costs 96 per cent against irrigators and four per cent against the industrial sector. The price path ensures that over the five-year period prices charged against irrigators increase to meet 96 per cent of the total cost of operating the scheme. SunWater achieves a windfall from the industrial sector on this basis as revenues from the respective segments are also kept separate. The minister cannot say that the national competition policy has forced him to approach it in this way. In fact, the national competition policy is not that specific, and the government does have considerable flexibility in applying the national competition policy. I mention also the national competition policy third tranche assessment framework.

Irrigators would like to know if the figures used in the price increases include allowances for compounding CPI influences and also whether allowance was made for the increases in individual water use, that is, have irrigators used water usage figures for the last few years? We all know that usage over the last few years has been down in our area as a result of a very good wet season, unlike in southern and central parts where there have been unusually dry seasons for about the last 10 years. They also want to know what the itemised cost of the delivery of services from head office in Brisbane is. They have never been provided with such a cost break-up. As bills are raised and issued from Bundaberg, perhaps this is where head office should be.

The national competition policy calls on the states only to make subsidies transparent. It does not call for the complete abolition of them where there is a defined community reason for maintaining them. Other states including New South Wales, Victoria and Western Australia have well defined community service contributions from government to recognise the wider benefits to the community. Why does Queensland not approach this in the same fashion?

In the case of a number of irrigators in the Tolga-Kairi area in my electorate, irrigators have been struggling to change from past cropping systems associated with the dairy industry and, most recently, maize. This has generally necessitated a change in their irrigation systems. In a number of instances irrigators were awaiting processing of licence applications by the Department of Natural Resources and Mines for over 12 months only to have them captured within the moratorium associated with the development of the Barron water resource plan. This moratorium has now been in place for approximately six years. I understand that these licences will not be able to be dealt with until the

resource operations plan for the Barron is completed which, all going well, will be in about 12 months time. This will mean that some licences will have been on hold for about eight years. Does the minister think that this is acceptable? Do we expect people to put their lives on hold while the government dithers with the implementation of water reform?

It seems to me that in the future farmers will be low in the priorities of SunWater and that industrial and urban water buyers will be the target of water deliverers such as SunWater and any other corporation that may enter the water commodity market. I oppose the bill.
