



Speech by

Mr T. MALONE

MEMBER FOR MIRANI

Hansard 7 November 2001

WATER AMENDMENT BILL

Mr MALONE (Mirani—NPA) (11.27 p.m.): I rise to speak to the Water Amendment Bill 2000 and make some comments in relation to the issues covered by the bill and also some comments in relation to the areas around Mackay that are impacted by the high cost of water. I support totally the arguments put forward by the shadow minister. The issue of water is very important to all communities. Indeed, in any agricultural community, a community without water is a community that is going backwards. It is important that all Queenslanders realise that if we are to have an efficient and sustainable agricultural export industry in Queensland, we have to have a reliable and affordable water supply that can be sustained over a long period, whereby, particularly under the corporatised SunWater scheme, farmers and irrigators can be assured that they can look into the future and make some real commitments in terms of machinery and investment in their farms.

As the previous speaker indicated, some of the issues relating to price paths cause a lot of irrigators some concern. They are seeing the price of water escalating beyond their scope of affordability. As I said before, it is very important that irrigators are able to see a future for themselves. For them, agriculture is not a five-year or a 10-year project. Most farms have been handed down from father to son. Those farmers have to have security to ensure that the productivity of their farms is going to continue.

A community cabinet forum was held in Mackay on the weekend. The minister would be well aware of the number of people who came to lobby the government, particularly about the Eton irrigation scheme. I was pleased with the response that the minister and the Premier gave to those irrigators. It is the first bit of hope that they have had in three and a half years of dealing first with the department and now with SunWater.

During the initial corporatisation of SunWater, Steve Etwell was employed on a performance bonus basis to negotiate and consult for the government. My information is that many representations were made to Steve over that period but, when the report was brought down, very little relevance was placed on that input, even though it was given by very astute farmers and irrigators. Those people were very disappointed about that, particularly those involved in the Eton irrigation scheme.

As the member for Southern Downs said, the arbitrary setting of a price from which to start seems to bear very little relationship to the actual charges. The people involved in the Eton irrigation scheme complain that they have never been able to access any figures that indicate the real costs of delivering water into the Eton irrigation scheme. I find that rather disappointing. They have been trying for a long time, but they have been denied access to those figures.

I turn now to the price path. As the minister would understand, the Eton irrigation scheme operates on a two-part tariff. The first part relates to the cost of water based on the allocation of water that each farmer receives. One pays that automatically. If a farmer has a 100 megalitre allocation, he pays for it whether or not he uses the water. Under part A of the tariff, the cost is now \$13 per megalitre, which in 2004-05 will increase to \$26.80. In actual fact, the cost will double. Part B of the tariff refers to the water usage. It is now \$24 a megalitre, dropping to \$17.75 in 2004-05. Under those circumstances, the irrigators have a fair case to ask for some consideration. That is a fairly steep increase, bearing in mind that over the last three years many farmers would not have used very much irrigation water at all. Therefore, whether you use the allocated water or not, you will pay pretty dearly for it. If you actually do use some water, the cost will not be so great.

Mr Robertson: But you need to maintain the scheme, nevertheless, don't you?

Mr MALONE: The scheme is in place. The real problem that I have is that we have never been able to access any figures to indicate the real costs of maintaining the scheme.

Mr Robertson: I will help you out tonight.

Mr MALONE: That is great. If the minister can give that indication, it takes those farmers one step further than they have ever gone by trying to negotiate with the department.

The other issue that I would like to raise relates to the Teemburra scheme in the Mackay district. This was the first self-managed scheme in Queensland. The Pioneer Valley Water Board manages the distribution of water from the Teemburra Dam. Recently when the Pioneer Valley Water Board was setting its budget, board members asked SunWater whether there would be an increase in charges. They were told quite formally that there would be no extra charges on bulk water this year. However, soon after they had set the charges for their bulk water, they received a bill from SunWater indicating that the bulk water charge had actually increased. As the minister would well understand, the water board only buys and distributes water to the stakeholders in the industry. Therefore, SunWater is doing whatever it can to frustrate the people who manage the scheme, even though they have enough problems of their own. They have faced some real problems from the very start of the construction stage as pipe fittings, valves and so on were not designed to withstand the pressure that they were subjected to. That was a departmental problem. It went into considerable debt to try to modify the scheme to make it work. The board is facing real hassles in pulling all of that together.

I implore the minister to get on top of the problems associated with the Eton irrigation scheme. It is a fairly important issue for the district. The Eton irrigation scheme covers an area that is, traditionally, fairly dry. If the water is too dear, some farmers could not afford to use it. That would have a huge impact on the whole community. As the minister would understand, growing sugarcane without water can easily halve the crop or worse, in some cases. In those circumstances, the whole community misses out.

I compliment the people who turned up to the recent rally that was held in Mackay. It appears that at last we are getting some sense out of the government, although it is a shame that it took a rally to do it. I hope that, in the future, the minister and cabinet will take a little more notice of what is really happening with the GOCs. From a cynical observer's point of view, one has to wonder if SunWater is more interested in paying a dividend to the government than in actually supplying water. That might be getting pretty close to the truth.

I commend the Leader of the Opposition for talking about the composition of the board. He pointed out, very effectively, that the membership of the board does not include one irrigator. The mayor of Mackay is on the board. She is a lovely lady, but I am not sure that she knows how to change a tap washer.

Mr Robertson: That is going to get back.

Mr MALONE: That is fine. I am sure that she will take it in the sense that it was meant.

The fact is that we are dealing with a multimillion-dollar enterprise that plays a very important part in the export industry in Queensland, yet there is not one irrigator on the board. I find that quite unbelievable. I am not sure who is to blame for that. I know that the minister was not in the hot seat at the time, but it makes one wonder who is running the show. Maybe it goes back to Steve Etwell, who was paid a very considerable amount of money to get the legislation into the House on time. I am not sure that we should be running the show in that way. It is not right to say to people, 'Listen to people but do not take any notice of them. If you put together some legislation and we get it through the House by gagging the parliament'—which is what happened in this House—'you will get a performance bonus.' We have lost the plot somewhere along the track. I hope that the minister can change that situation, because it seems that we are heading straight down the same path. With those few words, I conclude my speech.
