



Speech by

**Mike Horan**

**MEMBER FOR TOOWOOMBA SOUTH**

Hansard Thursday, 2 March 2006

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## **WATER AND OTHER LEGISLATION AMENDMENT REGULATION (NO. 1) 2005**

**Mr HORAN** (Toowoomba South—NPA) (4.12 pm): I support the motion of disallowance that has been moved by Deputy Leader of the National Party regarding the payment of water taxes being imposed by the Beattie Labor government. This debate this afternoon is about absolute fairness and about not charging people a tax when they do not receive any service or product. That is the fundamental philosophy behind this motion today. We need to recognise also the value of irrigation and a water supply to the rural and regional areas of Queensland and the enormous value that it provides to the state, not only in terms of economic benefit but also in terms of employment and business for these communities.

The fundamental point is that people are being charged a tax for a resource which they themselves have produced. The \$100 per year charge on licensed stock and domestic bores will affect people who put the bores down, put the windmills or pumping apparatus on top, paid the ongoing cost of getting water out of those bores and paid the maintenance, repair and breakdown costs of that equipment. The government does not have to lift a finger to provide any support to them, other than in the planning process, before people put their bore down, in issuing a licence and determining whether it is a suitable place to put a bore, how many others are in the area, what water can be allocated and so forth.

People have a fundamental right to access stock and household water on a piece of land that they own. They have a right to put in a dam for household or stock water. They have a right to put a bore down to provide drinking water for the stock on their property or to provide drinking and domestic water for those who live there. Naturally, they are not connected to some supply in the city. They live in complete isolation and their only sources of water would be a running creek, if such was on the place, a dam, a bore or tanks off the roof of the house.

The state government provides absolutely nothing when it comes to stock and domestic bores. The only area in which we can identify any degree of planning is before the bore is put down and before the licence is issued. It would need to determine how many bores can go on the property, how close they can be to a neighbour's property and where the aquifers and streams are. That is the only time there is any cost to the government.

I applaud the work the opposition has done, through our shadow minister, to put forward a policy to scrap that ridiculous charge. I applaud the work AgForce did in lobbying the government. It got parts of the proposal knocked out, but the government maintains its commitment and desire to impose a \$100 levy on bores in the Great Artesian Basin area.

We are not absolutely certain whether it will charge that levy just on the bores that go right down into the Great Artesian Basin itself or whether it will charge it on the tens of thousands of bores that are above the basin but are in the mapped area that the Great Artesian Basin covers. It is a massive area of Queensland. It comes right into the Darling Downs, under the Great Dividing Range and into the western part of the Lockyer Valley. There are literally tens of thousands of bores there providing rural holdings with stock and domestic water.

The real slug will be on irrigators. Irrigators are already paying for water through SunWater. They may pay anywhere between \$15 and \$40 a megalitre. In some cases they would pay more, depending on the particular scheme, the class of water that is delivered, whether it is a time of drought or if there is an extra allocation.

There is a range of irrigation schemes. There are schemes that are 100 per cent provided by the irrigators themselves. That might be a large dam that they have costed, funded and constructed on their property. It could be a dam on a gully or ring tanks. On the Darling Downs there are some 300 ring tanks which hold on average about 1,000 megalitres of water. They are mostly dry, as they are now.

It may be a scheme that catches the overland flow. It may be a scheme that comes from a regulated system, for example a river system from which they are allowed to take a certain amount of water when it is in flow for either storage or irrigation. It may be a scheme that takes water from a dam that has been constructed by the government. So there would have been a capital cost to put that dam in. The irrigators pay according to the particular scheme from which they get their water. They pay that to SunWater. The National Water Initiative is designed to cover all the maintenance costs, the operation costs, the allocation costs and so on but still return a dividend to government through SunWater.

This charge of \$4 a megalitre is on top of that. It is a straight tax. I have described the different types of systems. It is mostly for nothing. An irrigator on the Downs who may have a ring tank would have spent somewhere in the order \$500,000 or \$600,000 to put that tank in place and push it up with D8s. It probably takes a couple of years of work to get that tank up. Then there are the infrastructure costs. They need a hole to catch the overland flow. There is laser levelling needed around it. There is the cost of the flood lift, the pumps and so on to take the water either from the billabong when the river floods or from the overland flow on the property. Then it sits there for three, four or five years before there is heavy rain to get the required flow.

They spent all that money themselves on infrastructure. Not one zot of money comes from the state government. Perhaps there is a licence application fee at the start to allow them to do it. We on this side agree that there should be an initial licence application fee, but that is it because the government does not provide any particular service.

They are going to be charged \$4 a megalitre. For the average irrigator that could be in the order of \$8,000 a year. I note that a previous speaker mentioned the comments of Paul Bell, the President of the Local Government Association. He is a former mayor of Emerald, I believe. He would be well aware of the economic benefit to Emerald from the irrigation schemes in that area.

If every irrigator in a particular area suddenly has to send \$8,000 a year down to Brisbane, that is \$8,000 a year that is not going into Emerald, not going into Toowoomba or Pittsworth, not going into Gympie, not going into the Atherton Tableland or not going into St George or any area of the state where irrigation occurs. It is a vacuum cleaner—taking that money out of those communities down to Brisbane with absolutely no service in return. If that \$8,000 from each of those irrigators was going to the tyre service in town or the shops in town or was donated to the footy club or the show society or some other charitable organisation in the town—if it were staying in the district or going into extra production and bringing more income into the district—it would be well served. But that money is just being drained—sucked out—by a government that is purely taking it as a water tax and giving absolutely nothing in return.

The comments by rural lobby groups have been absolutely scathing. Those groups and their members see what this is about. It is nothing but a blatant tax grab for a Clayton's service—nothing being returned whatsoever. The comments by AgForce, by QFF, by NFF, by Growcom and by all associated organisations show that they know that this is unfair, it is immoral and they are getting absolutely nothing in return. People do not mind paying if they actually get a service, but people do not want to pay for something that they know is just a grab to take their money in the form of taxes and shift that money out of regional and rural Queensland and bring it all down here to Brisbane into the bureaucratic coffers.

I have had correspondence from the Cambooya council about a farmer in the area of the Southern Downs who has 16 licensed bores. He is above the Great Artesian Basin and he has to have it in different valleys with different windmills because the wind may blow in one and not the other and the cattle have to be able to access water. They cannot walk 10 or 15 miles to get water. That is typical of what can happen in these particular cases. I applaud our shadow minister for the policy that he has brought out. It is common-sense policy that we will scrap these unfair, immoral taxes when we get into government. That is a great policy, because we are going to provide for a licence fee up-front so the proper planning can be done in accordance with the National Water Initiative. That National Water Initiative is about the environment. It is about fair charging, water trading and all those things. It is not about charging people for nothing. It is not about stealing people's money as a tax and giving them nothing back in return. So I applaud him and I support this disallowance motion.