




Speech By
Dale Last

MEMBER FOR BURDEKIN

Record of Proceedings, 16 May 2019

PRIVATE MEMBER'S STATEMENT

Water, Cost-Reflective Pricing

 **Mr LAST** (Burdekin—LNP) (2.00 pm): Last week I hit the road to travel through Queensland and meet with farmers to discuss their concerns about the rising costs of water and the current water pricing review being undertaken by the QCA. I was joined by my colleagues the members for Callide, Bundaberg, Burnett, Hervey Bay and Gympie as we met with farmers in Biloela, Monto, Gayndah, Bundaberg and Maryborough.

From the outset, widespread frustration was expressed by farmers in Callide, who are staring down the barrel of substantial water price increases under the Palaszczuk Labor government's move towards cost-reflective pricing for water currently being considered by the Queensland Competition Authority. Under cost-reflective price estimates calculated by the Queensland Farmers' Federation, farmers on the Callide irrigation scheme are staring down the barrel of a \$74.58 per megalitre increase. Those on the Three Moon Creek scheme near Monto will experience a \$33.52 per megalitre increase and those on the Upper Burnett around Gayndah and Mundubbera will experience a \$23.27 per megalitre increase. Even though price increases are capped at \$2.38 per megalitre per year plus inflation, this will mean that Callide irrigation customers are staring down the barrel of at least 25 years of consecutive water price increases. The story was not much better for farmers in the Wide Bay region around Bundaberg and Maryborough. Under cost-reflective pricing, Bundaberg will experience a \$34.69 per megalitre increase and the lower Mary River irrigation scheme around Maryborough will see a \$44.81 per megalitre increase.

The projected price increases are unacceptable and should be of major concern to farmers and the rural communities whose economies are centred on agriculture. If the Labor government wants to move to cost-reflective pricing for water, it has a lot more work to do to ensure that SunWater is providing value for money to its rural customers. It is clear that Queensland farmers are currently getting a bad deal with SunWater and its Queensland government owners. The proposed cost-reflective pricing in these schemes has the potential to wipe out irrigation in the region.

Water is the lifeblood of our agricultural industries and the communities they support. The message that we are hearing from local farmers is that the costs of water and electricity are already too high and need to be reduced. It is farcical that Labor would consider raising the cost of already unaffordable water. There is no point in having water sitting unutilised in water storage facilities. We need it out there growing crops, creating jobs and keeping our economy afloat. Without water, communities such as Biloela, Monto, Gayndah, Bundaberg and Maryborough will lose production, which leads to fewer jobs and more expensive food and fibre for all Queenslanders. If you have water, you have opportunities. It is time for this government to step in and guarantee the future of all irrigated agriculture across Queensland.