

HOUSE OF ASSEMBLY

THURSDAY 1ST NOVEMBER 2012

WATER CHARGES

Mr PEDERICK (Hammond) (15:29): I rise today to talk about what happened in this last week when Prime Minister Julia Gillard ventured into my electorate of Hammond to announce the government's new Murray-Darling Basin plans. It was mentioned that \$1.7 billion would be allocated to get water back into use for the environment with infrastructure upgrades. But I wonder what happened to the \$5.8 billion that was pledged by former prime minister John Howard way back in early 2007 for infrastructure maintenance?

I introduce that as the start of my grievance in regard to South Australian irrigators and what they have done to be at the forefront of water saving techniques. This includes many of my constituents, but several have spent hundreds of thousands of dollars as an emergency measure on personal infrastructure that had to be put in during the drought so they could have water for their farming systems.

These constituents include people like Mr Terry McAnaney and Mr David Hender, farmers from Langhorne Creek who farm in the Angas-Bremer region, which is one of the best monitored irrigation areas in Australia thanks to farmers in the area who have implemented significant environmental management measures—such as Mr McAnaney and Mr Hender who installed desalination plants at their own considerable expense to provide insurance against the threat of drought. At the time, it was greatly needed.

Mr McAnaney invested \$250,000 in his desalination operations, while Mr Hender outlaid over \$120,000. The cost of Mr McAnaney's desalination plant is the same cost as buying water. Since the end of the drought, the plants have been in a maintenance mode with the two farmers only operating the plants occasionally to preserve the membranes and maintain the health of the plants.

For those concerned about the environmental impacts of desalination plants, the risk of environmental harm is very low due to the size and capacity of these plants, the frequency of use and the total amount of water under licence able to be used through these desalination plants. Desalination in these low-scale plants is seen as good for the environment by removing salt from the system, thereby enabling better quality water to be used for irrigation whilst also reducing the quantity of water that needs to be used. On Mr Hender's property alone, salinity in the soil has been reduced from 7,000 EC units to 450 EC units. The use of desalinated water for irrigation has also reduced salinity of water that percolates into the aquifer.

Desalination, therefore, provides many environmental benefits and does not have too many threats.

However, the government plans to impose fees on these farmers for the use of their desalination plants. Even though the two farmers have now limited the use of their plants and are seen as low risk, they will attract a licensing fee and environment management fees under the Environment Protection Act 1993, which says:

Whether or not a desalination plant is considered to be low risk has been determined on the basis of the intended licensing threshold which is a production capacity of greater than 200 kL per day. The environmental risks associated with plants that have a production capacity of greater than 200 kL and do not discharge waste into an EPA licensed wastewater treatment facility is considered to be sufficient to justify licensing.

As we see with all fees, the fees will only increase, for little or no return to users or the environment. Those desalination plants that require licensing will be required to have appropriate metering and monitoring, potentially leading to thousands of dollars for a low-risk operation.

I find this extremely disappointing and I am very concerned at what the government has put in place. These farmers were told during the drought that they would not receive any help and, as a result, they invested in desalination to protect their livelihood. This is a situation where farmers are being penalised for trying to do the right thing.

The government should be supporting these innovators and water savers, and I call on the government to negate these fees and reassess its policy. The government should be supporting these innovators and water savers, who have indicated they will look to sell their desalination plants if the proposed licence fee structure does not change. This will be a considerable loss to all involved, including the environment, and I would hate to think what would happen if another drought were to come along.

This shows the sheer arrogance of this government in regard to people who have spent hundreds of thousands of dollars to protect their livelihoods, and now we see the environment department come along and want to tax these farmers out of existence when they have already invested many hundreds of thousands of dollars, not only in their plants but also in associated infrastructure, and the government needs to have another rethink on this.