

IRRIGATION BILL

24 March 2009

Adjourned debate on second reading.

(Continued from 4 March 2009. Page 1797.)

Mr PEDERICK (Hammond) (16:23): As the lead speaker for the opposition today, I advise the house that we support this bill, as we did the Renmark Irrigation Trust Bill 2009. Some of my comments will be a repeat of my introductory comments for the Renmark Irrigation Trust Bill. This just goes to show how closely aligned these two bills are, and it does stress the exclusivity of the Renmark Irrigation Trust Bill because of it being the first irrigation district in Australia.

This bill replaces the Irrigation Act 1994. The Irrigation Act 1994 is now at odds with the commonwealth water reform agenda, which seeks to remove the regulatory barriers to the trade of permanent water outside a given area or irrigation district by separating water from land.

There are several objectives in this bill, notably the need to take into account current management practices and policy directions and the need for compliance with federal policy directions.

Among other things, the bill removes references to government irrigation districts which no longer exist and delineates the function of the Irrigation Trust to that of service providers, rather than land tenants. Other important features relate to the federal requirement for there to be no impediment to trade of water outside irrigation districts.

In regard to consultation, we had extensive consultation up and down the river as this bill, obviously, controls irrigation on a far wider basis than the Renmark bill. We talked to people involved in the Central Irrigation Trust, the Lower Murray Irrigation Trust and people involved in private trusts, and also had communication with South Australian Murray irrigators.

We found, with our consultation, that it was determined that without exception all key personnel support the bill, and they have said that the changes are vital to allow irrigators access to water markets and also enable them to apply for exit packages, which is similar to the Renmark Irrigation Trust Bill.

It is noted, and I repeat again, that the people involved in the trusts and other areas of river management were actually quite pleased by the department's extensive and responsive consultation process. They made the observation that all suggestions and requests were noted, except for those matters outside state control. If only things could be so easy with so much more.

They all agreed that certain matters under federal jurisdiction, as I indicated with the earlier bill, were the cause of a lot of aggravation: for example, the failure of the recent COAG agreement to properly vest control of the Murray to a central independent body, the weakness of the federal government in managing to get a successful outcome in negotiating with Victoria and the resulting restrictions on trade out of that state, as well as the extended grace period, so to speak, granted to Victoria and Queensland that forestall any real positive action to restore reasonable flows in the Murray Darling for several years. These matters fall into the larger process of the COAG agreement throughout the other states and the federal COAG agreement, but will not impede the progress of this bill.

Irrigators and trusts do have some related concerns that are a consequence of the changes to the act. In disposing of a water right from the land within a trust district, the cost of providing and maintaining distribution services will be shared among fewer members with a consequent increase in per member costs. Nevertheless, all trusts are strongly supportive of the changes in these bills and are keen that they progress promptly. Obviously, in regards to exit packages, that is paramount.

There were comments made through our consultation that people believe that the state Labor government should do more to effect change in federal policy-makers' thinking. I will go through some of the consultation that we have had on the bills. There was a comment from someone involved with private irrigation trusts who has had involvement with the bills for three years.

All trusts were invited to contribute and were briefed by the department twice. As I have explained, questions and comments from the floor were explained or addressed in the final bill. As I have indicated earlier, their concern is, again, with matters of federal jurisdiction. No. 1 is that the transformation of irrigators' rights is potentially disruptive. If an irrigator takes his water and sells it to the natural resources management board it leaves a lot of confusing paperwork to be dealt with. The comment was made that Victoria and Queensland are quite willing to do their own thing. Another comment was that New South Wales is seen as the potential loser. It was also noted that it could not happen quick enough that 50 per cent of all water savings are to go back to the environment.

There were also concerns indicated through the consultation process about the cost of delivery of services as irrigators exit or sell. Another comment was made about the federal minister (minister Wong) hearing but not listening. There were comments that the exit strategy is clearly not working; too many constraints and add-ons, for example, exit fees, capital gains issues, etc.

The point was made, and I fully agree, that Murray Futures is probably not getting a fair go in South Australia as infrastructure upgrades were completed here years ago. I commend everyone involved in our irrigation districts. They have done a great job throughout the Riverland and then, later on, working through issues of transforming the Lower Murray Swamps. However, I fear that it may all have to happen again after the present drought—as far as the Lower Murray Swamps are concerned, anyway. There were more comments about the bill and the Lower Murray, such as: 'happy with the bills'; 'key industry people very satisfied with the result' and 'did not see the need to change the bills as they came through the house as they were listened to through the negotiation process.'

The federal issues remain. As someone indicated, they called it the Rudd-Brumby agreement, which was seriously flawed and gave everyone false hope that the transfer of power would be quick and effective. The comment has been made that, by the time the Victorian and Queensland grace periods expire, there might be no river left to fight for.

A common theme amongst people we talked to was that the bills had been progressed well in the consultation phase, that most of the problems still remain under federal jurisdiction and that the federal minister (Minister Wong) is not listening. It was commented to us: 'So much for Labor governments working in tandem with each other for desirable outcomes.' There was also a comment made that the state minister (Minister Maywald) could or should intervene to convince Minister Wong that the resultant problems should be considered and dealt with.

I want to enlarge on the issue of the river in general and its management over the past few years. We at this end of the river seem to be managing the drought and over-allocation at one end of the system. It just goes to show that the Murray-Darling Basin now and into the future will not be controlled as it should be. There are too many unregulated rivers that do not come under management and too many state rights. We have seen what has recently happened with rains in the north again, very similar to last year, flooding rains through Queensland where most of that water is captured, diverted, stored and not available to flow down the system as it once used to. We have seen an issue in the Macquarie marshes where thousands of kilometres of illegal banks were built in New South Wales. To this day I believe they still have not been pushed over as they should be.

There is a huge problem with the management of unregulated water. I believe it should come under some form of regulation. With the way the basin is operated, there is really only tradeable water in the southern basin and, as time goes on, the water falls in the north will need to be managed. If that is where we go there is nothing in place to support it. I do not agree with some commentators who say that we should forget about the northern basin; I firmly believe that we should not.

There are also issues, as we go down the system, with channels that are not metered. I have had reports from people travelling through Victoria about there being plenty of water in open channels. However, there are different levels of water restrictions in different towns. As we get further south it is ironic in a sense that, allegedly for salinity control, we hold the pool levels above Lock 1, and we saw water levels below Lock 1 dropping to almost two metres below, where they were normally at 0.75, when the barrages went in.

As I indicated earlier there are massive issues with slumping. I have been at site inspections when, all of a sudden, there is a great crash and another area of the river falls in. Essentially, the bank gives way and suddenly 20 metre trees are sitting out in the middle of the river. It has become a safety issue; it is a marina issue; it is a whole-of-river issue.

Obviously, we have salinity management issues. It is interesting to note that salinity issues were being discussed back in the late 1800s when the Renmark Trust was established. I have a major concern that the death by a thousand cuts of the Lower Murray is being presided over by this state government. I do not believe that it has fought hard enough to ensure that we get more water down to protect our icon sites, our Ramsar sites, the Coorong and the Lower Lakes. I think the fact that that it is even on the table to build a weir at Wellington will doom those lakes forever, especially if sea water is allowed in.

We have seen a weir built at Lake Bonney, allegedly to control salinity, and 10 gigalitres of water had to be purchased and quickly pumped over the top. We have seen a bund put in at Narrung, supposedly at a cost of \$6 million, but triple the amount of material was needed (from 12,000 cubic metres to 38,000 cubic metres), and dredging was undertaken just so that the ferry could get across.

I will never get over the picture I saw of the Narrung ferry, with an excavator dragging at each end trying to make a channel. Almost a gigalitre of water a day was being pumped to keep Lake Albert above acid sulphate levels and those pumps in water but, essentially, they were pumping silt. My guesstimate is that \$50 million has been spent down there, and the government could yet walk away from it.

For too long, Lake Alexandrina has been treated like a mine, and it will happen at Goolwa and Clayton and the regulator there. Another 30 gigalitres has been earmarked to go in to shore up the area around the bottom of Finniss and Currency creeks. We just cannot keep seeing Lake Alexandrina being treated like a mine; we need that water replaced, and we do not need a lot. It has been noted that over the next 18 months we may need a maximum of 220 gigalitres to get us through critical times. I believe that up to 400 gigalitres of tradeable water is in the southern basin, although it is hard to find out exactly what is there.

More action needs to be taken to acquire northern water. The current situation is that, as massive areas of the lake bed are exposed, there are now dust problems. Irrigation areas have been shut down, and plenty of centre pivots on the Narrung Peninsula will never work again, despite all the infrastructure that went in—the electrics, the piping, etc. The other day, I talked to a farmer and his wife who have a dryland exercise towards Langhorne Creek with a little pivot irrigation. Even with access to the irrigation pipe that is coming in under the Murray Futures scheme, they cannot afford anywhere near the water they need to keep going in the normal way by any manner or means. It is just too expensive.

All these projects have been undertaken, and we have seen stock and domestic water go into Narrung and Meningie. The irrigation pipe looks as though it will go ahead for Langhorne and Currency creeks, but I cannot get over the fact that we are taking all these stopgap, bandaid measures when, on a larger scale, with proper compensation, water could be acquired out of the northern basin and the southern basin.

I think this state has sold itself short in the whole debate and that it is time to lobby to Kevin Rudd. Emergency action could be taken, as Bob Hawke did in 1983, to take over the system and ensure that the water gets where it needs to be, whether that be certain sites in New South Wales, Victoria or Queensland; however, as a parochial South Australian, I think that, as we see what I call the carnage all around us, we certainly need it in the Lower Lakes and the Lower Murray. It is indeed front of mind when your electorate is dominated by the River Murray and when the state is certainly heavily reliant on the river.

So, I call on the government and the minister to make more representation to the Prime Minister. In fact, if the minister thought it would help, in a bipartisan way I would go with her on a deputation to him because this is serious. It is a state of emergency in the Lower Lakes.

The Hon. K.A. Maywald interjecting:

Mr PEDERICK: The minister indicates something about a briefing: here we go, if we want to go down that path. There has been a lot of talk in the Lower Murray, and there has been a lot of talk in the Riverland. I have attended many meetings—

The Hon. K.A. Maywald: Have you ever asked for a briefing?

Mr PEDERICK: Yes; I have asked for a briefing, and I am just getting to that. I am very involved in river matters, and the briefing I wanted related to the Mount Bold reservoir. We had an initial briefing during the debate 18 months or two years ago, although I do not have the exact date in front of me. It is to be noted that the minister was at that meeting with her chief of staff, and I challenged her about how much water would have to be taken out of the River Murray for the alleged Mount Bold expansion. I was told by the minister that it was nowhere the 95 per cent I said would need to be pumped from the river for the extra 200 gegalitres, and I still believe that to this day. I was told that they had organised a briefing for me, but I have never heard back from the department or the minister. It works both ways, minister, I am afraid.

The Hon. K.A. Maywald interjecting:

Mr PEDERICK: No, you and your chief of staff were there, so—

The Hon. K.A. Maywald: Oh, Mount Bold. You never asked for one on the Lower Lakes—

Mr PEDERICK: No, I am just talking about briefings in general.

The Hon. K.A. Maywald: That was 18 months ago.

Mr PEDERICK: That is how long I have waited. The minister has admitted that it is 18 months. So, what is the point in keeping to ask for briefings? I have close contact with all my community. In fact, I am a member of the Lower River Murray Drought Task Force, which has Dean Brown on board, and I make regular representations right up and down the river. The minister would be well aware of that.

One thing I have learnt from briefings is that the government will only tell you what it wants you to hear. It will not tell you about its dismal record of managing the river in this state and how it has been so electorate focused, and the dismal record of Mike Rann especially, and the minister, who just seem to think that the Lower Lakes can go to the pack. Well, I do not stand by that. It is also a part of the dismal record that, when people from Western Australia put forward ideas on buyer remediation as long ago as last May, they were only listened to by the DWLBC department a couple of weeks ago. And that is a fact.

It is interesting to note (and the minister keeps interjecting) that representatives of the DEH, after years of drought, suddenly come to meetings and say, 'Now we are going to plan on how to fix the River Murray.' Where have they been? Have they been living under a rock? They are obviously living somewhere, but nowhere near the river.

I see the reactions of people in the local communities when these government people go there and expound their so-called virtues—and Prime Minister Rudd did the same thing. They stand on the shoreline of Lake Albert or at Milang on Lake Alexandrina and say, 'This is the effect of climate change.' People will just about throw them out of the room. They know what it is: it is drought and over-allocation. The river has been over-allocated. The whole river system has not been managed properly, and it could be done a lot better.

This government has been quite happy to preside over essentially the death of the River Murray (and more international media have been taking notice of what is going on), and this government should be held to account on that. It is just disgraceful. I have seen the mental health issues, the general health issues, families torn apart over what should happen with the river, businesses torn apart and people who have gone out of business. I firmly believe that the government will have more than enough to handle if it builds the Wellington

weir, with respect to managing salinity above it, because of the volumes of salt that come into the river from groundwater below Lock 1.

I am quite happy to debate with the minister at any time. The government minister will only tell me what they want me to hear: one never hears the full facts. We were told once, early in the piece, that the pumps could never be lowered. Now we are told that they can access water to minus 3 on three of the pumps and Murray Bridge can go to minus 2.1 under sea level, and that is still disputed by the government. I think that there are people inside the government who want to build structures whatever happens, and will not manage the system appropriately.

To return to the substance of the bill, we support the Irrigation Bill 2009 and note that part of the reason why we are here today is to help people to exit the industry, which is a sad thing. However, I note that the bill needs to go through. I also note that there was good consultation. Let us see a speedy passage through the house.