

RENMARK IRRIGATION TRUST BILL – 24 March 2009

Adjourned debate on second reading.

(Continued from 4 March 2008. Page 1797.)

Mr PEDERICK (Hammond) (12:54): I rise to speak to this bill and note that, in conjunction with the Irrigation Bill 2009, it replaces the Irrigation Act 1994 and the Renmark Irrigation Trust Act 1936 respectively. During both contributions I will probably branch into aspects that affect both bills before the house because they are so similar, but it is noted that, because of its unique position, Renmark has its own separate bill. The Renmark Irrigation Trust Act 1936 gave irrigators no opportunity to transform a water right into a licence. Trade of water was not even mentioned in that act. A second matter with the Renmark Irrigation Trust relates to its structure which has left it outside of other, newer legislation, most of this being new federal legislation, including the Water Act 2007.

There are several objectives in regard to both bills but, notably, there is a need to take into account current management practices, policy directions and compliance with federal policy directions. Among other things, both bills also remove references to government irrigation districts, which no longer exist, and delineate the function of irrigation trusts—in this regard, the Renmark Irrigation Trust—to that of service providers rather than land tenants. Other important features of the bill relate to the federal requirement for there to be no impediment to the trade of water outside irrigation districts.

With respect to the Renmark Irrigation Trust Bill, its major function is to transform a member's existing water right into an owned and tradeable right. Until now, Renmark Irrigation Trust members were not able to sell their rights separately because it remained with the trust, and were subsequently unable, among other things, to access the federal government's exit packages. With respect to the Renmark Irrigation Trust structure, ratepayers have become members, and members of the board become directors. This allows definitions and other qualifications defined in the new acts to cover participants of the Renmark Irrigation Trust. Also, directors will now be elected from the membership, as opposed to being appointed by the board.

Referring to consultation regarding the Renmark Irrigation Trust and comments received, people involved in the trust generally are fully supportive of the drawing up of the bill and they fully support the bill going through for the benefit of those irrigators remaining in the industry. The board's main concerns were with matters of federal control, which include Victoria's preventing trade through its caps and an issue with transformation which leaves the trust with no control over water leaving a district, but at least the land goes with it.

The Renmark Irrigation Trust supports an individual's right to own and sell their entitlement, but that sale reduces the cost-effectiveness of the trust for those remaining, as it reduces the number of irrigators contributing to the same running costs. A lateral supply line might no longer be cost-effective, as several have sold leaving a few others further along the line still requiring the service. Exit packages also complicate the infrastructure cost-sharing equation with supply and maintenance. A five year quarantine on re-use of the exited land leaves irrigation trusts with no chance to restore economic balance to supply lines for some years at least, even though neighbouring farmers might wish to expand and take on exited land. Uneconomic infrastructure cannot necessarily be removed, because there still may be a few requiring it now, or later when that quarantine period expires.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Adjourned debate on second reading (resumed on motion).

(Continued from page 1961.)

Mr PEDERICK (Hammond) (15:58): In relation to comments made by people connected to the trust but who were not consulted, they indicated that uneconomic infrastructure cannot necessarily be removed as there may still be a few people requiring it

now or later when the quarantine period expires. It has been indicated that these people have tried to discuss these matters with Senator Wong at the federal level, but she regards these changes as very good and will not hear of changing things to take the above problems into account. They believe that the federal minister and her department do not trust irrigators not to cheat the system. I guess that depends on an individual's particular reading of the issue.

I will make a few remarks regarding the history of the Renmark Irrigation Trust. Renmark is a town which was transformed by Australia's first irrigation scheme. I believe it was irrigation scheme No. 1 for this country. The Chaffey brothers were the founders of Australia's first irrigation settlement in Renmark in 1887. This made Renmark the first irrigation colony in Australia. The Chaffey brothers were invited by the South Australian government to establish their fruit colony, and the brothers quickly accepted. On 14 February 1887, an agreement was signed for the establishment at Renmark for the first irrigation settlement in Australia.

The early days provided high hopes, generous early harvests, rapidly increasing land values and a general fever of excitement despite the difficult conditions. Such difficulties included issues over water rights—they do not seem to go away—destruction of irrigation channels and the first signs of salinity encountered in irrigation.

The original act governing irrigation in the Renmark region was the Chaffey Brothers Irrigation Works Act 1887 and, as I indicated earlier, this was the first irrigation act anywhere in Australia. It was changed and repealed 15 times before the act as it now stands (the Renmark Irrigation Trust Act 1936) was established which, if this new bill passes, will be repealed.

The opposition supports the passage of this bill. We think it is absolutely necessary to make sure that water trade can be conducted in an orderly manner and also for South Australians to comply with the different federal legislation coming into play. It is a very sad time for the river, as everyone knows, when you consider that exit grants, which were announced last October, are even part of the equation.

We have a government in this state that has presided over a river that is very quickly dying. I acknowledge the water purchased for permanent plantings that was leased in, because that is something the Liberals had pushed. Also, as to the exit grants, it has taken a long time to get the structures in place so that people can make the right decisions about whether to stay or go.

It has been very sad to see the issues right up and down the river. In the Riverland over the past couple of years, before the advent of carryover water, people paid millions of dollars to purchase temporary water to keep their crops alive. It has placed many stresses on people throughout the Riverland, down through mid-Murray and the Lower Murray. Further down the river we have seen the issues that those involved in horticulture are facing; they obviously do not qualify for the permanent plantings money. This has made people move their irrigation into areas like the southern Mallee and the South-East.

Also, we have seen the total demise of an irrigation sector down at Narrung. Langhorne Creek and Currency Creek have problems with salinity and, obviously, Goolwa's tourism industry is on its knees due to lack of water. It seems ironic that the government is presiding over engineering works down here when perhaps there needs to be more effort made at a higher level, and I acknowledge that the Premier announced that he would lease in some water for the Lower Lakes. It will be interesting to know how much water is earmarked for that program. We have also heard about a High Court challenge against what Victoria is doing as far as its reticence on moving on the 4 per cent cap is concerned. We have seen Victoria swing too much weight in this whole issue of water.

Mr Venning: Far too much.

Mr PEDERICK: Far too much weight, as the member for Schubert acknowledges, and we have seen far too many issues right throughout. It is just ridiculous that the River Murray is basically on its deathbed. I will probably say more in the debate on the irrigation bill, but with those few words I commend the Renmark irrigation bill.

I reiterate that the opposition supports it. It is absolutely vital that this goes through and I acknowledge the level of consultation that has gone on with this bill with all parties. It

seems odd that there has actually been some consultation on a government bill. I am told that, when issues were brought up, the government listened. You wonder why the same action could not have been taken in regard to issues like Mobilong Prison, country health, marine parks and the houseboat strategy. It is a pity that the same sort of consultation could not be put into play to get more work done on protecting such an iconic resource as the River Murray, not only for this state but for the nation. With those few words, I commend the bill.

SELECT COMMITTEE ON THE RENMARK IRRIGATION TRUST BILL

The Hon. K.A. MAYWALD (Chaffey—Minister for the River Murray, Minister for Water Security) (17:45): I bring up the final report of the select committee, together with minutes of proceedings and evidence.

Report received.

The Hon. K.A. MAYWALD (Chaffey—Minister for the River Murray, Minister for Water Security) (17:45): I move:

That the report be noted.

I take this opportunity to thank the members of the committee for the manner in which they dealt with this issue through the select committee process. I thank the secretary of the committee for the way in which he was able to pull this together very quickly for us so that we could get the bill through the house in a fashion that will ensure that the legislation will be passed as soon as possible.

Mr PEDERICK (Hammond) (17:46): I, too, acknowledge the speedy work of the committee and the work of the secretary of the committee. As far as we on this side of the house were concerned this bill did not need to be held up for any particular reason. Obviously, it needed to go through in order for people to access exit grants, and also for the trading of water, and to fit in with federal legislation. I do commend the work of the select committee.

Motion carried.

RENMARK IRRIGATION TRUST BILL

Bill read a third time and passed.