

SUPPLY BILL – 7 April 2009

Adjourned debate on second reading (resumed on motion).

(Continued from page 2286.)

Mr PEDERICK (Hammond) (16:40): In my contribution to the Supply Bill today, I want to acknowledge the fact that we are in the grip of a severe drought and we are also suffering the effects of major allocation on our River Murray system. It is heartening, in one sense, to know that in this next year critical human needs water is available, but it is disheartening to learn that there is no guarantee of delivery of that water. When we see the battles that have gone on with water—

The Hon. K.A. Maywald interjecting:

Mr PEDERICK: There is no guarantee, minister. The Minister for Water Security interjects, but there is absolutely no guarantee of delivery of water, and I will explain from my perspective why I say that. Battles over the supply of water from the **River Murray** have gone on for well over 100 years, and they just continue. We have had this problem since the late 1800s. It was 1885 when Victoria and New South Wales decided that they would split up any water allocations out of the river between themselves and forget South Australia. In the time since, South Australia has almost had to beg to make sure that we get water, not just for critical human needs but for irrigators and our environment, which is under severe threat.

We have a government that said last year, along with the federal government, that it was going ahead with great world-changing, earth-shattering legislation, to which we agreed, to change the powers so that we could go from the Murray-Darling Basin Commission to the Murray-Darling Basin Authority. The government trumpets that it has this fully independent authority, which is completely untrue. There is still a ministerial council in the system that reports to the federal minister, and separate states can intervene on certain matters.

In the negotiations recently, Victoria secured \$1 billion worth of water infrastructure metering upgrades in the food bowl project, while we took little out of that initial discussion. As time has gone on, I believe the Rann government has probably been polling the issue not just on the river but on what it intends to do with the river in terms of putting more obstructions into the river because, even though the Premier is the federal President of the Labor Party, he has not been able to negotiate with his Labor mates or the federal government to make sure that South Australia gets its fair share.

The Hon. K.A. Maywald interjecting:

Mr PEDERICK: The minister interjects and, if the minister has not spoken to the Supply Bill, I am sure the opportunity is there this afternoon. We get these so-called groundbreaking arrangements and new plans and hear how South Australia is going to be in a lot better spot. I know I have told the story here many times but we have seen what has happened throughout the Riverland where people have spent hundreds of millions of dollars on water so that they can water their trees.

Belatedly, the government came in with the critical water allocation this season and leased in water for the permanent plantings. But we were talking about that 12 months beforehand. The government has also presided over the disappearance of water out of the lower end of the system and now we see the increasing **slumping of riverbanks**. In fact, I was visiting Long Island Marina, and we have on film a portion of the bank falling in when we were there talking to the owners of the marina and other stakeholders.

Mr Bignell interjecting:

Mr PEDERICK: No, it was a little bit in the distance.

Mr Bignell: Are you sure it wasn't your fault?

Mr PEDERICK: I will leave that, but I note the comments. It is an extremely serious issue. The river is down about 1.75 metres from where it has been held since the barrages went in. Yes, there has been a lot of man-made intervention. The slumping seems to have been predominantly in deeper areas of the river where it can be up to 25 metres deep. It does

have some fairly catastrophic impacts on people and infrastructure around the river. People are concerned about who is responsible for the portion of riverbank that falls in. Some people are not reporting some of these incidents, because they are not sure whether they are responsible for what has happened.

At Wood Lane at Mypolonga, thankfully they pulled the transformer off the Stobie pole, but I think there were at least three separate slumpings and, over time, at the Wood Lane pump station, different piping infrastructure fell in. Then, finally, a Stobie pole that held the power transformer went into the river. We have 60 foot (20 metre) trees that are sticking out of the top of the river. So, it is a massive issue, and I do not think that the state or federal government have taken it to heart. I think it has come to the stage where Kevin Rudd needs to step up and take emergency action.

Communities from the Riverland through to Mid Murray, around Murray Bridge, right down through around the lakes, Meningie, Langhorne Creek, Milang, Clayton and Goolwa, have suffered heavily. You only have to go into a local **irrigator's** house—as I did the other day—and talk about how they are battling to access water for their dairy herd. I know that water is not guaranteed on their licences, but they never thought that they would be in this position, and they do not know a way out. Yes, there are options going in, but we have seen irrigation essentially disappear from the Narrung Peninsula, and it will only come into place in Currency Creek and Langhorne Creek with a major irrigation pipe that needs a \$12.5 million investment from the locals. Quite frankly, some locals just cannot afford the access. They just cannot afford access to the water.

I think it is interesting to note that the Premier reacted a few weeks ago and said that he would leave some water in for the **Lower Lakes**, but the Labor government is still keen to build a sinking structure at Wellington that I believe will cost around \$200 million; whereas the 220 gegalitres that could offset acid sulphate soils in that region could be purchased for around \$70 million. So, you only have to do the sums. There is also the preliminary work for the proposed weir that will cost at least \$14 million. If the **Wellington weir** is constructed, it greatly worries me where that will leave our state as far as bargaining for water.

The interesting thing is that we are not guaranteed to get our dilution flows, our conveyance water. Part of the issue with keeping water fresh for the offtakes from Taillem Bend, Murray Bridge, Mannum and Swan Reach is that we will still need 350 gegalitres of dilution flow to keep that salinity down. If we cannot secure that water from states that have fought with us for over a century over who gets the water, we are in dire straits.

I know that the government has put it out there that it could cost \$75 million to build a **small-scale desalination plant** for the Taillem Bend offtake. When it gets to the stage where we are talking about desalinating our main water source, we have to wonder what is going on. I think it just reflects the lack of commitment by the government in relation to water supplies for this state, not just for the city. The city and country towns make up 90 per cent of the state's population, and rely on that water. The fact is that a desalination plant—which was put up by Iain Evans—would have been in operation now if Labor had picked up our policy. The government has refused to get on board with stormwater catchment and recovery and tried to claim all the benefits done by Colin Pitman and the work he has done with the Salisbury council. It has left this state in dire straits.

I want to make a few comments on issues in some of my other portfolios and **climate change**. I note the government's purchase of what were, I guess, only demonstration windmills to be put on government buildings. What a significant waste of money they were when it was found out that they did not work. I believe that, with climate change, we do need to give the planet the benefit of the doubt, but we do not want to sell ourselves out if the rest of the world do not go with us. We will only export jobs and industries if we do not get an **emissions trading system** correct. There has to be far more flexibility than what the present federal Rudd government is planning.

The present plan by the Rudd government puts at risk trade exposed industries with a risk factor there of \$2.5 billion. The Catholic hospital sector throughout the country, to offset its emissions, has put a cost there of about \$100 million. When we get to farming, the average dairy farm might need to spend \$6,000 to \$10,000 to offset its emissions. I think far more work needs to be done so that people can have voluntary offsets. The Canadian scheme

seems to have some merit, because it has a benchmark cap and trade system and works forward from there, but there needs to be much more flexibility.

I now turn to **agriculture, food and fisheries**. Coming from the land, agriculture is very dear to my heart. Its profile certainly is not high enough. We all need to eat, and we also need to promote our food as well. There is a lot more work that could be done in promoting food on a regional basis. We should also promote what I think is the very essence of Australia and certainly South Australia, and that is what our rural producers do and what they can achieve in times of extreme hardship (as it is now) in both dryland and irrigated agriculture.

Farmers in all sectors are doing it tough, but the hard years have certainly made people look at innovations. People who have come through these past five or six years will certainly be around for a long time to come. I know there will be some who will leave the industry, because sometimes it just gets too difficult.

The fisheries shadow portfolio has been very interesting, especially in noting the amount of issues involved. I am not sure whether it is a reflection on the former minister, but there are still issues bubbling along with Goolwa cockle quotas, mud cockle quotas, oyster leases and licences. I know that the new minister (minister Caica) said that he will have a good look at the oyster lease issue to see where improvements can be made. I made the observation to minister Caica that if he can fix all these issues he will not see me. That would be a good thing.

I do give bouquets where appropriate. Last week there was an issue where a boatload of fertiliser was held up and the people in Minister Caica's and Minister Weatherill's offices were exceptional and helped to achieve a great outcome. I certainly take my hat off to them for that cooperation, because it saved millions of dollars for a certain operation.

Finally, I want to say a few words about **forestry**, which has contributed many millions of dollars to this state's economy. However, we have a state government that is in the midst of an 18 month program to put together three life cycles of pine forests and sell them forward (probably to American investment groups that care only about cash) and, essentially, lock up any profits for 90 years. I just do not know how anyone could sign a contract for 90 years, and I worry about the input, especially in the Green Triangle, in the Mount Gambier area, where forestry accounts for about 30 per cent of the regional economy.

It just shows how bereft of cash this government is after being in power for some of the best financial years this state has ever seen. It has employed an inordinate number of public servants—over 14,000 extra public servants. It is not managed so many issues at all well, and there has been a terrible lack of consultation. I think the government would do well to look at how businesses operate because I do not believe that there is much experience on the other side. If you do not have the engine room of the economy working, the business community of this state will not function. With those words, I commend the bill to the house.