



Senator
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Second Reading Speech

Water Amendment Bill 2008

25 November 2008

Last week I was told a distressing story. A grower from Mildura I had met on a visit there spoke about his uncle, a man who had been growing vines on his property for more than 40 years, following on from his father before him.

The property had been part of his family for generations and the family had dealt with hard times in the past, but the current drought and the lack of water have crippled them.

Five years ago the grower's property was worth a million dollars. He sold it recently for less than a third of that and was left without enough money to clear his debts.

This man is 73 and has worked all his life for his family and in his community. He now has a pile of debts and no legacy for his family and he feels hopeless about his future.

Even more distressing is the number of suicides in these communities. Research by the Australian Institute for Suicide Research and Prevention has found that the rate of suicide among farm workers is double that of the rest of the population. It is happening because many of these farmers are depressed. They feel they have failed their families and have no future ahead of them. Growers speak of properties being abandoned because farmers have had to walk away, taking their heartbreak and despair with them. These are the people who must be given support and assistance to get through this crippling drought.

Water is an extremely complex issue that needs a national approach, but at the core of it there must be trust. Governments should be uniting people over the water issue, not dividing them.

The Water Amendment Bill 2008 is another important piece of the puzzle of how best to manage water in the Murray-Darling Basin.

Last year the parliament passed the Water Act 2007 to establish some of the administrative framework necessary to manage the basin. Now, with the agreement with the states achieved in March, the federal government is moving to establish the Commonwealth controlled Murray-Darling Basin Authority. This will help overcome some of the problems of governments pursuing their own interests, which often clash with the needs of the Murray-Darling Basin as a whole and the communities that depend on the basin.

Unfortunately, shamefully, governments still play politics with water. Last month, at a Senate estimates committee hearing, the Minister for Climate Change and Water, Penny Wong, reconfirmed that the government's \$57 million Small Block Irrigators Exit Grant Package would provide relief to farmers who are struggling with the drought. The exit grant package would provide drought-stricken farmers with a grant of up to \$150,000. But there is a catch. The minister did not reveal that these grants would be made available to Victorian farmers only if the Brumby Labor government agreed to abolish some water-trading rules.

The Rudd government should not be stringing along desperate farmers for months, holding them to ransom in an attempt to put pressure on a Labor state government. Irrigators in the Sunraysia area and others have been caught up in a fight between governments, their futures put on hold because of a game of political blackmail.

Another significant issue for Victorians is the Sugarloaf Pipeline, which is to take water from the drought-stricken Goulburn River to a thirsty Melbourne. Sadly, the Sugarloaf Pipeline has divided Victorians. It has pitted country folk against city folk.

I can understand the Victorian government wanting to safeguard Melbourne's water. That is the government's job, and water is an essential service governments must provide. The question is whether the cure is worse than the illness and whether in fact it takes us backwards when there are alternative approaches available.

The Sugarloaf Pipeline has been approved by the federal government on the condition that the water it takes to Melbourne can be demonstrated to be

independently audited water savings. The minister's office assures me that water will be available for the pipeline only if it is audited savings and meets the four per cent cap. But Family First believes that taking water from the Murray-Darling Basin is wrong. It is totally opposite to what this bill is about—that is, maximising the value of water in the basin, not reducing it.

I do not want to single out the Sugarloaf Pipeline without mentioning that it is not the only project that diverts water from the Murray-Darling Basin. The Department of the Environment, Water, Heritage and the Arts told the Senate committee inquiry that there are seven pieces of infrastructure in different states diverting water from the basin, but:

The basin plan will set a limit on the amount of water that can be diverted from basin water resources, and this limit will be set at a level of individual resource plan areas identified in the basin plan.

However the difference with the Sugarloaf Pipeline is that it has not been completed yet.

Another very important fact that must be considered is that the Goulburn River is not the only possible source of water for Melbourne. Family First's policy is that water should be piped from Tasmania, from an area where there is water excess to needs, to Victoria where water is scarce.

I met with Hydro Tasmania last month to discuss the plan. The Hydro told me that water flowing from Tasmanian rivers into the Bass Strait or the Indian Ocean is enough to cover almost three times Victoria's total demand and 35 times metropolitan Melbourne's demand. Water can be supplied to Victoria without taking away from Tasmania's needs.

Significantly, a pipe from Tasmania would have a much smaller carbon footprint than a desalination plant being built in Victoria.

The Hydro estimates a capital expenditure of \$2.5 billion and operational expenditure of around \$40 million a year, which compares to the Victorian desalination plant's cost of \$3.1 billion and operating expenses of \$100 million a year. So, per megalitre, water from Tasmania is much cheaper.

Water from Tasmania could also be piped further north to add to the flow of the Murray River. A water tunnel from the Upper Yarra Dam to Lake Eildon would feed the starved Murray River and give hope to struggling farmers along the Murray River system.

Family First wants the federal and Victorian governments to unite on this issue and build a 30-kilometre water tunnel to connect the Upper Yarra Dam to Lake Eildon at a cost of \$300 million. The Upper Yarra Dam feeds water to the Thomson and Silvan dams, both providing Melbourne with most of its water. Under Family First's water plan, water from the Upper Yarra Dam would be redirected to the Murray River. This plan would put water back into a starved, dying system, not take it out.

There is water to be found in Australia—look at the recent floods in Queensland—and it is a matter of distributing it properly. Australia does not have a water shortage problem; Australia has a water distribution problem. The plan to pipe water from Tasmania and use that water to service Melbourne and then tunnel water from the Thomson Dam over to the Murray would give farming communities on the Murray hope that, within a year, their crops will become viable and they will prosper.

Family First believes that nation-building projects like the ones I have described are needed to help fix Australia's water problems. We must look beyond robbing Peter to pay Paul. We must look outside the square to solve the crisis. We must look to the vision of someone like Prime Minister Ben Chifley when he put forward the Snowy scheme. It was outrageous, it was daring and it worked. The Tassie pipe is another nation-building project that should be embraced.

This water bill will provide a much-needed centralised water management system for the Murray-Darling Basin. It is also an important piece in the puzzle of improving Australia's water management. But it is not the only piece, and without big nation-building water projects like Family First's plan to pipe water from Tasmania we will continue to squabble and struggle with the water issue for many years to come.