



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

WATER AMENDMENT BILL 2008

Second Reading

SPEECH

Tuesday, 25 November 2008

BY AUTHORITY OF THE SENATE

SPEECH

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Questioner
Speaker Polley, Sen Helen

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Senator POLLEY (Tasmania) (5.54 pm)—*The incorporated speech read as follows—*

Mr President, I rise in the Senate on this occasion to speak on the Amendments to the Water Amendment Bill 2008.

As Minister for the Environment Heritage and the Arts commented in the opening of his second reading speech on this Bill:

“This legislation before the House is a much needed, long overdue reform in governance that will put the Murray-Darling Basin on the right footing to face the challenges that lie ahead.”

Australia’s rivers and wetlands serve many functions and support many values—economic, environmental and cultural.

The Murray-Darling Basin is 3,375 km long, drains one-seventh of the Australian land mass, and is currently by far the most significant agricultural area in Australia.

The Murray-Darling Basin includes the three largest rivers in Australia; the Murray River, the Darling River and the Murrumbidgee River.

The Murray-Darling Basin is very important for its biodiversity. The Murray-Darling Basin is also very important for rural communities and Australia’s economy.

Three million Australians inside and outside the Murray-Darling Basin are directly dependent on its water. About 85 per cent of all irrigation in Australia takes place in the Murray-Darling Basin, which supports an agricultural industry worth more than \$9 billion per annum.

The long-term productivity and sustainability of the Murray-Darling Basin is, however, under threat from over-allocated water resources, salinity and climate change.

Many of those sitting opposite to me today are climate change skeptics. I wonder how much more evidence they need to believe that climate change is real, and it is one of the most serious problems that will affect our country over the next few decades.

The rapidly emerging threat of climate change, with its inherent uncertainties and risks, is something that we must plan for and manage. As a nation, we have not had a Federal Government alive to these threats until now.

I believe it is imperative for Commonwealth, State and Local Government to share a common understanding of the

problems in water and respond in a comprehensive and co-ordinated way.

Like many areas of public policy involving multiple levels of government, water policy has been derailed by bickering and blame. As a result, progress on many of the important issues has been a case of too little, too late.

The purpose of the Water Amendment Bill is to amend the Water Act 2007 and to give effect to the inter-governmental Agreement on Murray-Darling Basin Reform. It is my understanding that the matters requiring amendment relate to non-referred parts of the Bill and so are within the Commonwealth’s own powers.

The Government has informed the States that we will be introducing these Government amendments, to maintain a spirit of co-operation. This government was elected on a platform of ending the blame game between Canberra and the States and Territories and we have invigorated the Council of Australian Governments with a major reform agenda underpinned by more effective working arrangements.

In May 2008, the government took a major step forward with a memo of understanding on Murray-Darling Basin reform, signed by the Prime Minister, the Premiers of New South Wales, Victoria, South Australia and Queensland and the Chief Minister of the Australian Capital Territory.

In July 2008, as promised, an inter-governmental agreement on Murray-Darling Basin reform was signed by Ministers, which built on the principles of the memorandum of understanding.

In the inter-governmental agreement, governments committed to a new culture and practice of basin-wide management and planning through new governance structures and partnerships.

The first amendment in this Bill recognises the NSW risk assignment framework. This amendment is consistent with the commitment in paragraph 3.4.2 of the inter-governmental Agreement on Murray-Darling Basin Reform—Referral (the Referral IGA) that:

‘If a State applies the risk assignment framework referred to in Section 74A of the Water Amendment Bill 2008 before the Bill is passed by the House of Representatives of the Commonwealth Parliament, the Commonwealth undertakes to use its best endeavours to include a transitional provision in the Bill providing that the Minister is taken to have

determined, under subsection 74A(1) that the State is a State to which section 74A of the Bill applies.'

The second amendment relates to separating water access rights and interests of the Commonwealth from those of the Commonwealth Environmental Water Holder.

This amendment is consistent with the agreement reached between Commonwealth and Basin State officials under the inter-governmental Agreement on Murray-Darling Basin Reform that all rights and interests established under the Living Murray Initiative should continue to be managed under the Initiative.

This matter was not addressed prior to introduction of the Bill as it was raised late in negotiations.

The third amendment seeks to clarify the process for consideration and adoption of the Basin Plan. This matter was not addressed prior to introduction of the Bill due to a genuine oversight.

As Nick Champion, the Member for Wakefield, commented in his second reading remarks on this piece of legislation,

"We have to face the unpalatable truth that, over 100 years, our unco-ordinated State-based approach to the Murray-Darling, the irrigation and the establishment of locks and weirs, has led us to the point where only a clear and uniform national approach, as well as a serious concerted effort to look for alternative sources of water for communities, will save the river basin.

He went on to say:

"A national independent authority is the only solution to manage the river basin and co-ordinate sustainable and capped water extraction and that is why it is essential that this Bill passes in the House".

I agree wholeheartedly with Mr Champion.

The Water Amendment Bill is very much about working together as a nation to solve one of the great environmental disasters in Australian history: the near death of our great Murray-Darling river system.

In July, the Rudd Labor Government announced investments of close to \$3.7 billion in the basin states to improve irrigation efficiency, raise productivity of water use and return water savings to the rivers. The Federal government is, for the first time in history, buying water entitlements from willing sellers to tackle over-allocation.

The Australian government has already completed the first-ever Federal government water purchase program, which will put 22.6 billion litres into the Murray when water is available, with a further 5.5 billion litres expected to be settled soon. Recently, the Australian government also assisted the New South Wales government to purchase Toorale, a cotton station near Bourke, which currently holds entitlements to extract 14 billion litres of water.

I believe these are all positive moves by the Rudd Labor Government.

Additionally, I would like to note in the Senate today that the Minister for Climate Change and Water, Senator

Penny Wong, recently released guidelines for groups of irrigators wanting to submit proposals to sell combined water entitlements in ways that deliver simultaneous benefits for farmers, irrigation water providers and the environment.

I am pleased that the Rudd Labor Government has put water on the national agenda. We have many challenges for the future and I believe Julie Owens, the Member for Parramatta in the House of Representatives was quite right when she stated that:

"Our rivers are stressed and over-allocated and we need a whole-of-basin approach to combat the problems that have arisen over the years."

She went on to say:

"A properly functioning water market will be essential to help irrigators manage future reductions in water availability. It is a responsibility of the whole nation to assist our farmers to manage the changes that they will need to make with climate change. We have lived on the back of our farming community for decades and it is now time for us to be there when they need us."

By far the biggest user of water in Australia is the irrigation sector, accounting for around two-thirds of all water use nationwide. Around 70 percent of this irrigated agriculture takes place within the Murray-Darling Basin.

Irrigated agriculture provides a wealth of food and fibre. This not only generates considerable export income, but provides fresh food for Australian households at prices that are low by world standards.

But despite the economic importance of irrigated agriculture, we must become more efficient in the way we use water for crops.

The Rudd Labor Government has already made progress to save the Murray-Darling Basin.

The Australian Government's framework, Water for the Future, provides national leadership in water reform for all Australians.

Water for the Future is built on four key priorities:

- Taking action on climate change
- Using water wisely
- Securing water supplies
- Healthy rivers and waterways

Water for the Future is the first ever nationwide plan that addresses both rural and urban water. Importantly, it will help secure water supplies for Australian households, businesses and farmers, as well as provide water to restore the health of Australia's water systems.

Australia needs a truly national approach to water because it cannot be the domain of one single government.

Although State and Local governments are responsible for delivering water services to Australian households,

businesses and farms, the Commonwealth Government must provide strategic direction and leadership to help State and Local governments secure water supplies in the era of climate change.

I remember quite clearly when the former Treasurer Peter Costello said on 9 May 2007 that

"...meeting the urban water crisis was a job for State Governments, not the Federal Budget".

Unlike our predecessors, the Rudd Labor Government will not blame the States. We are ending the blame game, and actually doing something about the water crisis in this country.

The water crisis in Australia threatens the very fabric of our great country.

Australia is the driest inhabited continent on earth. Despite this, Australians use more water per head than any other country on the planet.

Urgent attention is needed for all Australians to change the way we use and value water.

As the impact of climate change intensifies, Australia faces increasingly acute long-term water shortages both in our cities and regional areas—with lower rainfall, rivers drying up and dam water levels falling.

Tackling the water crisis is a major long term priority for the Australian Government.

Years of low rainfall and record high temperatures have severely depleted water supplies and cut soil moisture across Australia.

This has particularly been the case in southern Australia in our major urban areas and in the Murray-Darling Basin.

The health of our rivers and wetlands is rapidly declining and rural and regional communities are suffering. All Australians have felt the effects of water shortages through increased food prices and water restrictions.

The water supply systems of mainland capital cities are under current and growing strain. For several years now, Australian households have shown a remarkable community spirit in adapting to water restrictions and helping to conserve our water resources, but I am sure we all recognise there is more we can do to save water.

There is a water crisis in my own home state of Tasmania. Tasmania has a large and diverse agricultural industry,

but its needs have been largely ignored by the previous Government.

Tasmania was not even mentioned in John Howard's national water policy announcement on 25 January 2007. The Howard Government neglected my State completely.

The Rudd Government has delivered key water election commitments for Tasmania through the 2008-09 Budget.

Supporting sustainable irrigation projects through an investment of up to \$140 million will help grow the Tasmanian economy.

The Tasmanian projects form part of the Rudd Government's \$12.9 billion Water for the Future package.

For Australians to adjust to climate change and continue to prosper, our attitude and behaviour towards water must change.

We are running out of time.

As the National Government, we cannot fix all problems in water, but by making our priorities clear, we are putting in place framework in which we will work with other levels of government to achieve water reform.

The Federal Government has an important leadership role in ensuring each and every Australian, wherever they live, has a secure supply of water.

We can, and we must, make better use of our available water resources. This means improved efficiency and productivity of water use, and better use of water markets to optimise the economic benefits that water brings.

In our towns and cities, we must secure water supplies for current and future needs, including from a range of new sources that rely less on rainfall given the clear threat climate change poses to traditional water sources.

In delivering Water for the Future we will be seeking to set a new standard in national leadership and co-operative relations with State and Territory governments.

I believe that Water for the Future is the right path to take. It's a truly comprehensive plan that works in the national interest. And it is based on a co-operative approach to working with State and Territory governments - a real change from the last 12 years.

I stress this is a very important piece of legislation and I urge those on the Opposition benches to vote in favour of this Bill.