



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

COMMITTEES

**Rural and Regional Affairs and
Transport References Committee**

Report

SPEECH

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BY AUTHORITY OF THE SENATE

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Speaker Edwards, Sen Sean

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Senator EDWARDS (South Australia) (17:25): This was the first inquiry I sat on when coming to this place. Indeed, I started out with an area of this inquiry which delved into the coal-seam gas industry in this country. We went to Roma in July of 2011 and heard about the impact of coal-seam gas mining in the basin from both miners and those people affected. Here we are now tabling the final report with some 24 recommendations looking to address the significant and complex issues facing the basin.

The basin's importance cannot be overstated, particularly in my home state of South Australia. To put it in perspective for those who need to quantify the massive impact that this river system makes on every Australian, it contains around 11 per cent of Australia's population and generates agricultural production worth \$15 billion per annum in gross value terms. It represents about 40 per cent of Australia's total agricultural production. It is obviously around 65 per cent of Australia's irrigated farms. This is a significant factor in the economy of rural Australia and is very important for everybody. It has been a long and well-considered inquiry ably led by the chair, Senator Heffernan, and the secretariat staff, who are in the chamber today. I acknowledge their great efforts and contribution as well as those of their predecessors.

Senator Birmingham will have some comments to make about this in his portfolio relationship to the Murray-Darling Basin, but the committee does remain concerned about how the allocation of 2,750 gigalitres—the reduction in the environmentally sustainable level of take—will occur. Obviously there is discussion which relates to the environmental improvements and the water buybacks that will continue the debate around south-eastern Australia while we implement this plan.

The inquiry also found that there was an increased amount of extraction taking place out of the basin, not only with coal-seam gas but also with groundwater. As we know, river water is groundwater, it is just at a different level on this planet, and one does affect the other. As I said, the scope of the environmental works and the effectiveness of the environmental works are obviously something that the committee also identified as needing to be carefully structured to ensure that the intent of the Murray-Darling rejuvenation, or review, or this whole plan gets implemented

Also, the committee identified that there was an overallocation of water entitlements in the basin in the previous decades, which has been the role of state governments of all persuasions and which has led to the current water scarcity problems and inequity as seen by the states through this basin area. The other thing which was of concern to the committee was the different types of water entitlements and the complexity of the water entitlements. In fact, with some of the water entitlements that existed, the likelihood of getting flows in average seasons was questionable. Then there were the issues with possible water buybacks in areas which were going to flood anyway. So it was very difficult to try and identify areas where you could buy water back and where the water was going to flow on those flood plains. But we will probably hear more about that as we settle this plan down.

Another issue of profound importance through New South Wales, Victoria, South Australia and, of course, Queensland was the socioeconomic effect of any of these reforms taking place. As we went on the inquiry through the country centres, district councils quite rightly made representations about their economic viability and the socioeconomic impact of the patchwork of taking water out of established irrigation regions and what that does to towns, businesses, schools, hospitals and the like. All these things are at the heart of this plan, and all these things have to be considered in a bipartisan way. We have to try to leave the politics out so that we can get over this issue which has driven this planned Murray-Darling Basin reform. Another big issue was the need for a great deal more research into the flows, the water trading environment and the proposed engineering works which this plan, if it is to be successful, takes into consideration.

We in this inquiry have made these 24 recommendations, and now we will leave it to the community and the legislators for the debate that I am sure will ensue. Before I sit down, it would be remiss of me not to remind the chamber that South Australian irrigators have been at the forefront of water efficiency for decades. After the 1968 drought, South Australian operators saw the—

Senator Heffernan: They used to thief a lot of water too.

Senator EDWARDS: Yes, Senator Heffernan, as you quite rightly point out, there was probably a lot of water thieving in those days. I can only suspect. However, we did not get a chance to thief water, because we were at the back end of the water system, so we got what was left over. As you are aware, we have been very efficient—probably the leaders in this country, if not the world, in our irrigation practices. I would like to think that the communities and governments upstream and across this basin will also come to recognise that when equity is short as to how this is administered from here on out.

The recommendations are clearly articulated. There is not time in this chamber to fully cover these areas, so I would encourage those listening to have a very good look at this report, because it will have a major impact going forward on this country.

Senator Heffernan: Mr Acting Deputy President, could I raise a point of order. It is really not a point of order. I just want to note in the chamber Mr Chris Curran and Mr Stephen Palethorpe. They both look very relieved because we have eventually got to this report. Do not frown there; it is right.