



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

Main Committee

APPROPRIATION BILL (NO. 1) 2002-03

Consideration in Detail

SPEECH

Wednesday, 19 June 2002

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Date Wednesday, 19 June 2002
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Questioner
Speaker Katter, Bob, MP

Source House
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Responder
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Mr KATTER (Kennedy) (5.01 pm)—The minister has placed an emphasis upon the saleability of these water rights and there is no doubt that between one farmer and another farmer there is some advantage in saleability. But what happened in Mareeba when this national competition policy was imposed upon the state government—at least, it is the claim of the Queensland state government that it was imposed upon them—was that, when the sales came up, two companies that were selling, effectively, ways of diminishing tax bought up all of those water rights and paid prices that the rest of us could not dream of. A number of farmers who had wanted to get out of farming tobacco and who had only 20 acres and wanted to grow bigger, to 100 acres of irrigation, were unable to buy those water rights because of big corporate money coming in and buying all the water rights up.

In his submissions on national competition policy, Ernie Bridge, the very famous promoter of water development in Australia, quoted the head of Bankers Trust. At the annual stockholders meeting, or whatever they call it, Bankers Trust told their shareholders, 'As always, one of the most valuable items in our portfolio is our water rights. They will always go up and will always have an extremely solid value.' What happens if corporations like Bankers Trust are buying up all of the water rights that exist in Australia, if farmers badly need to buy up some of those water rights, and if you as a federal government are cutting back by five, 10 or 15 per cent on current water usage levels? If people are to maintain their economies of scale, they need to buy some water rights. But if they are competing in the marketplace against giant corporations—and it is said that one-third of the Californian water rights are owned by giant corporations and a further one-third are owned by not so giant corporations—what is left for the owner-operator family farmer here? What chance has he got of achieving economies of scale when he is competing in the marketplace against the likes of Bankers Trust? We view this with very great concern. I strongly endorse the comments and the representations made by Ernie Bridge—a very gifted Australian—when he says that ultimately all of our water resources will be owned by foreign corporations.

We view with very great concern this tradeability of water rights as it applies on a free market system to big corporations. We most certainly agree with the movement of water between one owner-operator and another owner-operator. I must share the concerns of my colleague from New England in listening to the assurances we are receiving on this compensation. I do not blame the minister for agriculture for this—clearly it is a government decision and not a departmental decision—but I am becoming more and more apprehensive on listening to the assurances I am receiving here. I most certainly do not hesitate to criticise ministers, but I am not criticising the minister in making these statements. I hear with increasing apprehension what is being said to us by way of explanation to convince us that things are under control. I am more and more convinced that things are not under control.