



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

BILLS

**Future Drought Fund Bill 2018, Future Drought
Fund (Consequential Amendments) Bill 2018**

Second Reading

SPEECH

Wednesday, 20 February 2019

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

<p>Date Wednesday, 20 February 2019 Page 87 Questioner Speaker Ley, Sussan, MP</p>	<p>Source House Proof Yes Responder Question No.</p>
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Ms LEY (Farrer—Assistant Minister for Regional Development and Territories) (18:09): What an omnishambles of a response to an important policy measure this Labor Party response to our Future Drought Fund Bill 2018 is. I've listened with amazement. How could a group of people that purports to represent the whole country—our entire nation cares about drought—be about to vote against a bill that has an initial \$3.9 billion investment, building to \$5 billion, that will disperse \$100 million a year to fund important water infrastructure and drought resilience projects, and that is carefully managed by a plan, a consultation process, published reviews and all the assurances you'd expect, and that includes encouraging farmers to adopt sustainable management practices? I don't know that anyone opposite would complain about the architecture of our Medical Research Future Fund, which is exactly the same as this drought fund. I can't believe it. I'm sure it won't happen that people in the Labor Party will come into this place and vote against this bill. Because if you've represented rural Australia for as long as I have—and I'm not the only one who has; there is the minister at the table and others on the benches behind me—you absolutely understand that one of the things that farmers talk about all the time is sustainability of support and funding. Sustainability of support and funding means that, when a crisis hits, and we know that it will—whether it be drought, flood or other circumstances such as, in my electorate in particular, the lack of irrigation water—there is a fund, there is a measured approach and the money is there. We can't always trust Labor when they're managing the economy to have the money there. So let's set this fund up now, and let's give our farmers the confidence to know that there is a safety net there for them. It matters a great deal.

I would like to take this opportunity to talk about how the drought is affecting my electorate of Farrer. Like many other parts of the country, we're running out of water—water for stock and water that normally falls from the sky and irrigates dryland cropping. But the biggest hurt that we're experiencing in the Murray-Darling Basin is the lack of irrigation water. Every season is different, but there's no argument that this one is shaping up to be the worst. We know that the basin is the life blood of so many of the communities in the New South Wales Murray and Murrumbidgee valleys. This area is the food bowl of our nation.

The Murray-Darling Basin Plan is meant to be about governments working with the people to make sure that farmers and regions are viable and sustainable, the sorts of things that the Future Drought Fund Bill is going to do. But the circumstances in my electorate are not happy. There is a water allocation crisis and the use of environmental water has left many angry and frustrated. When we see environmental water used to good effect, there's a positive return to everyone—we love it—but that has been lacking. What is needed is a stronger and more meaningful engagement with communities, with a focus on improving the plan and reflecting on how it might better look after our needs, and that means for everyone in every community in the basin, and the environment as well.

In August last year, I spoke about the desperation expressed by so many in my electorate struggling with the drought, with zero water allocations and with so many different issues and problems. Drought is felt by all in regional Australia. Some are saying up to 300 positions are being impacted by the SunRice restructure. The rice mill in Deniliquin is, effectively, closed down because there is no rice being grown. Workers and families are in pretty desperate straits. Low water allocations and high water prices are to blame. Water buybacks have been a catastrophe. The Labor Party spent \$2.2 billion on non-strategic, non-targeted buybacks, with a devastating effect. Buybacks have never been Liberal or National Party policy. While in opposition, I gained a commitment from then opposition leader Tony Abbott, which was later legislated, to ensure that this type of buyback—in fact, any buyback—would never happen again. In 2015, the Water Amendment Bill imposed a 1,500-gigalitre statutory limit on Commonwealth buybacks. At the time, we moved an amendment to make sure that farm infrastructure expenditure could not be used for buybacks.

I'm terribly disappointed, because it was bipartisan—and we have heard Labor Party members talk about the bipartisan nature of the plan—but unfortunately it is not bipartisan any longer. Under pressure, wriggling around in almost the final fortnight of this parliament, Labor have introduced a private member's bill, I understand, and have certainly stated that it's their policy to lift the cap on buybacks, thus signalling to a group of their supporters

—who clearly do not live, work, raise a family and depend on the basin for their future—that somehow they have better environmental credentials than we do. So the bipartisanship on the Basin Plan is unravelling rapidly before our very eyes, and this worries me enormously. It worries me because it really is the last straw for us. If that buyback cap goes, then any remaining shred of credibility that this plan has in the communities that I represent goes with it. And, I have to say, I'll stand with them at that point in time.

Last year, when Labor were playing silly games in the Senate about a disallowance motion for the northern basin, I had conversations with state ministers about New South Wales, my state, exiting the plan, because we could see what was starting to happen—the same thing that's starting to happen now, with Labor crab-walking away from a previous commitment. I went on a long trip around my electorate and asked everyone, 'What do you want me to do?' and the response was: 'Stick with the plan, stay with it. We know it's not perfect. We know the damage is done, but we also know that it's there for everyone in the basin, and everyone doesn't always agree with us.' So there was an extremely positive, or, I should say, constructive—they were not always positive about the plan; how could they be?—approach at that point in time. So we stuck with the plan. That was what my communities wanted me to do.

I suggested that we work up a system where environmental water that wasn't used in the current watering season be allocated to farmers to save their crops, and that hit a wall of bureaucracy between state and federal organisations, not least the Murray-Darling Basin Authority and the Commonwealth Environmental Water Holder. I was very disappointed by that. I know that it could have saved some of those crops.

I'm calling for an assessment of allocations and entitlements, something that is very much focused at the New South Wales level but does need to happen because we are seeing a reduction in yield on delivery entitlements. So, if you have lost water, sold water, been bought out and you're still farming and you have some delivery entitlements, you've got an expectation of a general security allocation, which means you don't get all the water all the time—we understand that—but your yield will be of a certain value. It allows you to plan and invest, and it maintains the value of your asset, your farm, your livelihood. But that yield is falling, and something is not right.

We need, therefore, to bring to this all the data and all the expertise, independently. We're an open book to anyone who wants to come and examine our circumstances, because I know they'll find that the experiences that I talk about in parliament are the experiences that are happening each and every day; they're real, they're not imagined and they're really, really hurting us. There are catastrophes that hit, like drought and fire, and my communities hurt with those communities. But they also want some attention, because the slow strangulation that they're experiencing unfortunately only ends in one place. So there is a level of emergency about this. We've got an election in New South Wales, and, with that as a backdrop, our New South Wales water minister was in Griffith last night, I understand, and gave people a lot of heart by saying, 'If that 1,500-gigalitre cap goes, Canberra Labor Party people, we in New South Wales will have to seriously consider withdrawing from the plan.'

I'm now being approached by many who have voluntarily given their lives to this cause—because it's pretty complicated when you're talking about water; explaining it to people who don't live in the basin, trying to get your message heard, trying to gather the necessary information to really make your case—and there is a strong initiative to pause the plan. From where we were in August last year, we've come a long way, but unfortunately it's a long way in the wrong direction. I understand it. I feel complete sympathy with that point of view. People are saying, 'We must pause the plan, because look what it's doing to us.' When I look at the long list of people who have signed on to this and see significant local government regions, significant industries and individuals all in that frame of mind, I just want to say to them: I stand with you. Because you know what? If you stand for everything, as Labor does, you stand for nothing. What's wrong with coming into this parliament to talk about drought in this bill and to talk about regional policy in another bill, and acknowledging that the Murray-Darling Basin is the food bowl of our nation? They are not just pretty words. They mean that our contribution to the national accounts, to our export industries, to feeding our people, feeding our nearest neighbours, feeding the world and building our foundations in agricultural trade are very much in the regions that I represent.

We want people to look closely at what's happening and to recognise that, as I said before, while it isn't a fire and it isn't a flood, and you don't see, necessarily, starving stock in a paddock, you do see paddocks that should be green and growing with food and fibre that have nothing and, unfortunately, are facing the prospect of three seasons of zero allocation. Can you imagine what that means? That means three growing seasons where you've no income, and sometimes you go backwards.

Consider if you're a dairy farmer. I thank our Agriculture Minister for the supportive comments he made and the steps he's making towards addressing the needs of dairy farmers. Dairy farmers in my electorate who rely on irrigation water are going backwards by about \$1,000 a cow a year. So if you milk 500 cows—that's a fairly moderate number—you're losing \$500,000. Imagine getting up every day and going to work knowing that's what you're going to lose. We, in the Murray-Darling Basin, want to play our part—work constructively, talk to governments, talk to the Murray-Darling Basin Authority and talk to the Environmental Water Holder and work with them—to deliver the flexibility and the adaptability that we know the plan should contain and does contain, but the review, which I think is in 2026, is a little bit too far down the track.

Harold Clapham, from Mainland Finance Deniliquin, who's been working with my community, said to me this week, 'You are in fact looking at the gravest manifestation of the failure of the plan, and it has divided regions, split communities, broken life-long friendships and destroyed totally all trust and goodwill in the political system.' When good friends of mine, who are moderate and careful and constructive, deliver that message to me, I know that this is really, really serious. Along with the communities of the New South Wales Murray and Murrumbidgee, the lower Darling, while not necessarily in the food bowl part of the basin, is really, really hurting. When I know that the attention of the nation is on all of us, I hope it comes clear that we, on this side of the parliament, understand your pain, feel what you're going through and desperately want to help you get to where you need to go. No-one wants to leave their farms. No-one wants to stop farming. No-one wants to have their children decide to grow up in another part of the country. We know that we can contribute enormously to this country's future.

Thank you to so many who've contributed so much to their communities in these tough times. Resilience is an easy word that gets bandied around here, but you really see it in action when there's drought and when people are struggling, particularly in small communities. I always say that great people come from small towns. There are some great people in my electorate of Farrer, and I want them to stay strong.