



## Senate Inquiry Speech Notes

### Parliament House Canberra

### 30<sup>th</sup> June 2010

Senate Inquiry into Water (Crisis Powers and Floodwaters Diversion) Bill 2010

Thank you for the opportunity to present our submission to this Senate Inquiry that is reviewing the draft "Water (Crisis Powers and Floodwater Diversion) Bill 2010.

The position of the Water Action Coalition of South Australia is clear and firm.

We support the good intentions of the Bill. For some time WAC has maintained that a state of emergency was needed into the Murray-Darling Basin to manage the very real crisis that is faced and advocated by one of our Supporting Members "[Fair Water Use \(Australia\)](#)).

This draft legislation, by its very title of the Water (Crisis Powers and Floodwaters Diversion) Bill 2010 is recognition of the dire state of the system. This Bill gives the Murray-Darling Basin Authority the power to manage the water resources of the Basin as a single system during periods of extreme crisis. That crisis is now. The Bill in this respect is weakened by the very definitions that constitute the invoking of the necessary powers.

WAC, in its submission is arguing that the Bill does not go far enough. We firmly believe that nothing short of a full public inquiry, with powers of a Royal Commission, can unravel decades of bad policy at all levels, gross mismanagement and ongoing exploitation of the waters of the Murray-Darling Basin that has continued to this very day. A Royal Commission is required to determine the systemic root causes and propose solutions fundamental to a proper long-term corrective action process.

Despite the recent rains and floods, which have brought renewed hope of recovery, the situation remains critical. We may not have experienced the tragic loss of life of the Victorian bush fires. But what we are facing in South Australia is as serious as the consequences of the collapse of our [State Bank](#) in 1991.

Never before has an issue provoked such wide debate and concern.

Senator Xenophon is right when he declared at the second reading of the Bill that "Now, more than ever, the state of the Murray-Darling Basin is the most pressing environmental and social crisis this nation faces". His analogy was that "for more than a century, state and federal governments have treated this river like some kind of magic pudding."

Well that pudding has well and truly lost its magic. It is no longer palatable for all those that depend on its waters to sustain their livelihood and their quality of life. Our call for a State of Emergency and a full public inquiry is based on the representation of a diverse cross section of the South Australian community.

The Water Action Coalition (WAC) is a broadly-based movement of community groups and environmental organisations that has been formed in response to growing public concern about the State of the Murray and related water issues in South Australia.

The authority of WAC is derived not only from its broad constituency but also from the authoritative knowledge of our scientific reference group and our International Patron [Maude Barlow](#) who served as Senior Advisor on Water to the 63rd President of the [United Nations](#) General Assembly during 2008/2009.



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The mission of WAC is to ensure a sustainable water future for South Australia. A future that ensures an equitable use of all water resources for future generations that does not compromise interdependent ecosystems freshwater and marine.

To promote these aspirations WAC has protested widely and organised rallies that advocate for water in all its forms remains the common property of Australia and its ecosystems as intended by the founding fathers of Australia's Constitution.

We have demanded actions that will secure all water of the Murray-Darling Basin and all groundwater as the common property of Australia - not to be traded as a profitable commodity.

We want to ensure that water is managed efficiently and effectively for community use today and conserved for future generations; and finally we need to ensure recognition of indigenous knowledge of water conservation and its importance to Australia's oldest culture, particularly the Ngarrindjeri people who have occupied the bottom of the river for thousands of years.

#### **These are the key points that we make in our submission:**

The solutions to date of Governments to the present water are unacceptable. Further engineering intervention by building more dams and weirs will not restore the health of the system. Billions of dollars are being earmarked for and spent on pipeline projects, weirs, regulators, and desalination plants in a desperate bid to be seen to be doing something about water security but not the right things.

These water 'solutions' will only magnify the problem. The following will result.

Desalination will increase carbon emissions, significantly impact on marine life in the Gulfs and drive up the cost of water making us uncompetitive. Substantial public funds are being wasted by all levels of government and the potential benefits from the restoration of vast areas of seagrass meadows as potential carbon sinks continues to be ignored by our governments.

The construction of so called temporary weirs and regulators at the end of the River Murray is destroying the purifying ecosystems of the Lower Lakes and the Coorong. Any prospect of constructive co-operation between States and their communities remains at risk from ill-conceived litigation and a belief that we can trade our way out of the problem by purchasing or privatising water.

South Australia's water crisis is one of the most urgent ecological and human threats of our time both freshwater and marine.

We believe that in addition to the powers of the Bill a Commonwealth instigated National Public Commission of Inquiry into the Murray-Darling Basin is required. It should resolve what changes need to be made by the Commonwealth, the States of Queensland, New South Wales, Victoria and South Australia and The Australian Capital Territory with respect to governance and management of the Murray-Darling Basin.

The inquiry should also determine the environmental, social and economic consequences of current management arrangements, including those that have resulted from the Council of Australian Governments (COAG) water reform agenda. Our submission reference draft terms of references for consideration by this Inquiry.



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WAC acknowledges that the proposed Bill will give the Commonwealth authority to achieve many of these things. Its weakness though is predicated on the definition of an extreme crisis when the level of water in Lake Alexandrina is continuously less than sea level for more than three consecutive months.

Only in these situations under the Bill will the Murray-Darling Basin Authority have absolute powers to intervene.

The crisis has already been with us for far too long. The consequences of the mismanagement are already plain to see.

The reduction of flows of the River Murray into South Australia is having catastrophic effects and in many places is already a disaster. The economies of regional and country towns depending upon the River Murray are struggling or at the point of collapse.

The Lower Lakes and the fragile environments of the Coorong are being lost. Adelaide is being increasingly compromised as a viable city to live given the state of its creeks, rivers and adjacent coastal waters. Ancient groundwater is being further plundered risking its eventual depletion.

There is accelerated loss of freshwater and marine natural habitats putting at risk many unique species. Communities have become divided as a result of water trading, rationing and increased water pricing.

Bad policy has resulted in bad solutions. We are paying the price for massive investments in a desalination plant that will add to the destruction of Gulf St Vincent and will increase the price of water by tenfold within a decade. Upper Spencer Gulf is at risk from the threat of desalination by BHP.

Not only do we need a proper inquiry now we also need Parliament, both State and Commonwealth, to pass laws that commit Governments to conservation, protection and water equality for all Australians. Australians should decide the issues of water privatisation by referendum and not just those with vested interests or the most money.

Apart from the intentions of this Bill we need immediate legislation and funding for more stormwater harvesting and wastewater recycling. We need laws that fund community actions towards rainwater collection and conservation. These are far more important issues than spending billions of dollars to build stadiums and desalination plants.

We must leave enough water in aquifers, rivers and lakes for their ecological health. Living in and with nature instead of over nature is our path to a water sustainable future.

We should not lose sight of an important clause of the Australian Constitution. Section 100 states that

*The Commonwealth shall not, by any law or regulation of trade or commerce, abridge the right of a State or of the residents therein to the reasonable use of the waters of rivers for conservation or irrigation.*

That section enshrines the fundamental principle that water should not be traded as a commodity. And yet by stealth over many years this is now happening.



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The waters of the Murray-Darling system are becoming a valuable commodity on the open market. Water trading is portrayed as the solution to achieve fairer redistribution of entitlements and allocations but it is no magic pudding. Water trading is spin for water privatisation.

The costs to South Australians from this new market are considerable. Our minimum entitlement of 1850 GL has been progressively sacrificed to support the introduction of the new national water market. Our entitlement, that is supposed to be enshrined in the Constitution, is no longer guaranteed and there is clearly no commitment by the up-stream states to meet that commitment during low flows. I would suggest that this action is unreasonable and therefore unconstitutional. It has been forgotten that South Australia has capped its diversion since the late 60s while the eastern states have increased their diversions by over 300%.

Nobody should own the waters of the Murray-Darling Basin, especially companies that are not even Australian or allow water shares, the new term for a water license, to be owned by foreign interests. As custodians we have a lot to learn from Aboriginal culture that respected water and interdependent ecology as part of our place. We ask that the fundamental human right to clean, affordable water as a common good is codified by Parliament and enshrined in law. We need laws that do not automatically sanction weirs, pipelines, diversion and desalination as short-term solutions.

A sustainable future without compromising our environment is the only acceptable outcome. A quantum change of policy is required. As stated before, we support the good intentions of the Bill. We ask of this inquiry to take further action to resolve more than a decade of bad policy, gross mismanagement and progressive erosion of our constitutional rights to the water of the Murray-Darling system.

I thank the members of the committee for their resolve to find a better way and Australia can only wait with baited breath as to whether the new Gillard Labor Government will reflect on water reform which the previous Keating, Howard and Rudd Governments have failed to do and own up to the privatisation of Australia's surface and ground water.

Finally the Water Action Coalition requests the Senate Inquiry make public the MDBA's Independent Review of Drought Water Accounts announced in January 2009 (WAC Submission p61, item 7.)

**Attachments** (tabled as further evidence to support the Water Action Coalition's Submission):

**"Senate Inquiry Speech Notes" by Water Action Coalition 30/6/10**

**"Australian Seagrass Meadows as potential carbon sinks: focus on Gulf St Vincent, South Australia"** (A report for the Environment Protection Authority, Adelaide) December 2007

**"Gulf St Vincent A Precious Asset"**, published by Friends of Gulf St Vincent August 2009

**"A Call To Action"** Water Action Coalition Brochure

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