

Nick holds out for the Murray-Darling

Nick Xenophon, Independent Senator for SA

Key points:

- Nick Xenophon was elected to the Senate based on his promise to fight for the River Murray and its communities.
- Nick believed that, for any economic stimulus package to be credible, it had to include provisions for the Murray-Darling Basin and the economies that rely on it.
- After the Bill was voted down, Nick voted to bring the Senate back for a special sitting to continue negotiations.
- These negotiations resulted in a package that included \$900 million in funding to assist the Murray Darling Basin economy.

The funding Nick negotiated includes:

- \$500m brought forward to buy water over the next 2 to 3 years, bringing the total buyback to over \$2b over that period.
- \$200m to help communities implement water savings initiatives.
- \$200m of guaranteed funding for stormwater projects to wean towns of the Murray.
- Expanding the threshold for the \$150,000 Emergency Exit Grants from 15 hectares to 40 hectares, and doubling grants to clean up land after exit to \$20,000.
- Establishing a Productivity Commission study into how best to manage the water market in the future.

Senate Hansard

Senator XENOPHON (South Australia) (13/2/2009, 11:25 AM) — Yesterday I voted to defeat these bills. However, I wanted to continue to negotiate for the Murray-Darling Basin—for its economy, for its people and for its environment—and I believe that was in the national interest. That is why I also voted to support the motion to bring the Senate back today, because I do not want to stifle the chance of a compromise. For that reason I also met with the Treasurer and the Minister for Climate Change and Water last night and continued discussions this morning. If there is a fair and reasonable way forward, I will take it.

A lot has been said in the press and the wider community about yesterday's vote in this chamber. Let us face it: if politics was a popularity contest most of us would be out of jobs. So let us put that issue to one side. There are still some questions hanging over this [Appropriation \(Nation Building and Jobs\) Bill \(No. 1\) 2008-2009](#) and related bills stimulus package in the minds of many Australians, especially in relation to the cash payments. I appreciate that it appears that half the country seems to think that they are a waste of money while the other half wants, or in many cases needs, that money for essential purposes. I am not sure whether this package is going to save the country from recession and I do not think that anyone can be definite about that, but I have broadly always supported the need for an economic stimulus package.

My problem with the package proposed by the government was that it ignored a key part of the economy, and that is the Murray-Darling Basin economy. I was elected to the Senate in part to fight on this issue for my state and for the other basin states. The people who voted for me knew that I was an Independent. They knew what it would mean in terms of votes like this. They knew the risks and opportunities of electing an Independent to the Senate and they cast their votes accordingly.

It is easy to criticise the Senate for slowing things down, but I reject that argument. I always say: do you want a fast plan or a plan that works? For the last two years, and again overnight, I have been

consulting closely with arguably the country's best water experts about the future of the Murray-Darling Basin. They tell me that the basin needs help and it needs it fast. At a minimum, they say we need to start spending close to \$1 billion immediately to fast-track expenditure and to keep spending it over the next two to three years if we are going to have any chance of saving our dying river system. This money needs to be spent on water buyback, on stormwater projects to wean cities and towns off the rivers, and on assistance to communities to adjust to a drier environment. This is the minimum amount that eminent scientists such as Professor Mike Young and Professor Quentin Grafton say must be spent right now to give the people who rely on the Murray-Darling economy and its environment a fighting chance.

I think it is fair to say that yesterday the government was reluctant to spend this amount of money. But I believe the 1.9 million people in the basin and from Queensland, New South Wales, the ACT, Victoria and South Australia deserve us to fight for them and to go down to the wire to do whatever we can. So I persisted and I am pleased to say I believe we have been able to reach a compromise that, while not giving everybody everything what they want, may give everyone what they need.

This morning, the Treasurer and the Water Minister have agreed to a package of \$900 million in spending commitments, including fast-tracking spending for the Murray-Darling Basin for its economy over and above any previous commitments. There will be an additional \$500 million brought forward over the next 3½ years for water buybacks, bringing the total spending for that period to over \$2 billion. There will be \$200 million in grants to assist local communities in water saving and planning for a future with less water, and that is welcome up and down the basin. For the first time there will be a guaranteed minimum of \$200 million for stormwater-harvesting projects, with the threshold being reduced from \$30 million to \$4 million for projects, with the Commonwealth contributing up to 50 per cent, and that will make a huge difference in local communities around the country where stormwater harvesting needs to be implemented as a matter of urgency.

There will be significant changes to the restrictions placed on the Exceptional Circumstances Exit Packages. These packages were previously restricted to properties of 15 hectares; this will be increased to 40 hectares or less. The increase will most likely see demand for exit packages increase, and that is an additional funding commitment based on demand. In addition, the government has agreed to double the grants available for the removal of irrigation plantings and infrastructure, from \$10,000 up to \$20,000. That will make a big difference not just in my home state but in Sunraysia and irrigation districts in New South Wales and Queensland. It will make a big difference.

Finally, I have secured an undertaking by the government to have a Productivity Commission inquiry to look into the most effective way to run a buyback, and I believe that will be a valuable opportunity for the Wentworth Group of Concerned Scientists, for scientists such as Professors Young and Grafton, to have significant input into that inquiry so that we can look at further speeding up water buybacks.

I believe this commitment shows a renewed focus on the Murray-Darling Basin, its economy and the crisis unfolding in rural communities evermore, and I will continue to work with the government and all my colleagues constructively to help them maintain that focus. I believe that for the river this is just the beginning with respect to that new focus. Ultimately, I was sent here to do a job, and that job is to do whatever I can so that the hundreds of thousands of people along the rivers have a chance to keep their jobs and, most importantly, for the environment to have a fighting chance. Given this commitment by the government, given this fast-tracking of proposals and of new commitments, I believe this is the right thing to do and I am willing to support the government's economic stimulus package.

A note from Nick...

Thanks for taking the time to read this extract. If you have the time, I'd appreciate it if you were willing to share your thoughts on ways to ensure a better future for the Murray.

You can do this either by calling me: 08 82321144 or by email: Senator.Xenophon@aph.gov.au