



PARLIAMENT OF AUSTRALIA  
HOUSE OF REPRESENTATIVES

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## MEDIA RELEASE

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### **Windsor welcomes COAG water agreement but urges farmers to be vigilant about fine print**

Member for New England, Tony Windsor, has congratulated the State and Federal Governments on the agreement struck over water at Friday's Council of Australian Governments (COAG) conference but has urged farmers to remain vigilant about the fine print in the agreement.

Mr Windsor said that recognition by the Federal Government that it needed to be part of the solution to the "buying back" of any licence entitlements and compensation for those affected by structural adjustment was a major breakthrough.

Mr Windsor was Chairman of the Namoi Groundwater Taskforce that recommended a process that required both State and Federal Governments to recompense those impacted by the move to more sustainable use of the water asset.

"The Commonwealth refused to get involved in 2001 when the Taskforce Report was handed down but it is pleasing to see that finally they have recognised that they have a leadership role to play," he said.

Mr Windsor said that the farming community would need to scrutinise the fine print of any agreement and urged them to look back at the history of the water reform process.

At the 1994 COAG meeting, when the original water reform agreement between the States and the Commonwealth was signed, two basic tenements were agreed to:-

1. A water trading mechanism be established to encourage water to move to the highest value use; and
2. That a nationally recognised definition of "property rights" be established to be used as a means of compensating farmers where a "claw-back" or "buy-back" of water entitlements was necessary for the more sustainable use of the resource.

"Essentially they are the same basic tenements of the agreement at last Friday's COAG meeting," Mr Windsor said.

"Let us hope that the various players don't spend the next nine years sitting on their hands in relation to the implementation of the process."

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“The real breakthrough on Friday was the fact that the Federal Government has agreed that it should play a role in the property rights issue whereas its view before was that property rights were always the province of the States.”

“The real breakthrough was not the financial agreement of \$500 million, as important as that is, but the need for all governments to agree on a process.”

“Since 1994 over \$1.5 billion has flowed to the States from the Commonwealth as part of the water reform process but virtually none of it has found its way to those impacted by change.”

Mr Windsor said he believed that the Namoi Groundwater users should be a priority in terms of structural adjustment payments as it was one of only a few areas in Australia where there was not only an over allocation of the water resource but an over-use in certain zones.

He also believed that the details of the new agreement should be thrashed out over the next month or so rather than wait till the next meeting of COAG in autumn of next year.

“Lets get on with it and call a special meeting if needed – lets strike while the will is there ,” Mr Windsor concluded.