



PARLIAMENT OF AUSTRALIA  
HOUSE OF REPRESENTATIVES

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## Media Release

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### Snowy Scheme sold off by major parties

The Coalition and Labor parties joined forces today to rush through a motion that sells off the Snowy River Scheme to the highest bidder.

Independents Peter Andren and Tony Windsor were the only MPs in the House of Representatives to oppose the motion and force a vote which saw Government and Labor MPs sitting together in support of the sale.

“This incredibly short-sighted decision to sell off the Commonwealth share follows the NSW and Victorian Governments deciding to sell their shareholdings,” Mr Andren and Mr Windsor said.

“This is simply a fire-sale of an iconic national asset to satisfy the short term budgetary problems of the state Labor Governments, especially NSW. No doubt the 19.8% return on investment that Snowy Hydro delivers is the reason for selling it, and what an attractive pie it will be to the private sector.

“The sale is supposed to net \$3 billion, but the states and Commonwealth are up for hundreds of millions of dollars worth of taxpayer-funded compensation payments to any new owner for environmental flows.

“The Snowy sell-off will not only threaten the security of irrigator needs but the desperate future needs of the Murray-Darling environment. The only way to ensure that would be continued public administration and ownership of the infrastructure that is required to deliver it.

“Despite claims the sale will not affect water rights and environmental allocations, a future federal parliament cannot meet these guarantees any more than a future government can guarantee telecommunications in a privatised market,” said the Independent MPs.

“This agreement could essentially lock the environmental and water entitlement outcomes into place for the next 100 years,” Mr Windsor told Parliament.

“In recent weeks we have seen great concerns expressed by people heading up the National Water Initiative that it is failing to deliver. Here we put into private hands an instrumentality that could have a dramatic impact on the environmental and water entitlement needs.

“The National water initiative should in fact be that, not a National Party slush fund where \$50,000 will be passed out to little community groups,” Mr Windsor said.

“The states have shown their inability to manage water policy and only Commonwealth management of national water systems such as the Snowy Scheme and Murray/ Darling will ensure the best possible outcome for water users and the degraded river systems,” according to Mr Andren.

“No National Party MPs, apart from Kay Hull, spoke on the motion. To her credit Ms Hull attacked the sell-off but then abstained from a vote.

“A call in the Senate and again from the Independents today for a full inquiry into this sell-off was rejected by the major parties.

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“The Government was able to slip through this outrageous motion because it has the numbers and the compliance of Labor and because 1997 legislation provides for simply a vote of Parliament and no new legislation to dispose of the public’s Snowy shareholding.

“At the very least this fire-sale should have been preceded by a public inquiry. Governments are the guardians, not the owners of our water resources.

“What we will be guaranteeing is the slow death of the Murray-Darling system once the control of water is fully privatised,” Mr Andren and Mr Windsor said.