



PARLIAMENT OF AUSTRALIA  
HOUSE OF REPRESENTATIVES

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## Media Release

16 February 2007

# Compulsory acquisition of water entitlements still on agenda

## Water users should be suspicious of ‘hand of help’

A statement made by the Prime Minister John Howard in Parliament on Wednesday has again raised the issue of compulsory acquisition of water entitlements under the Prime Minister’s \$10b Ten Point Water Plan according to the Independent Member for New England Tony Windsor.

Mr Windsor asked the Prime Minister a question relating to the Taxation treatment of compensation payments to groundwater users in six valleys across NSW.

The Prime Minister in his answer made the statement, *“If we are ever to settle this water thing (the nation’s over-allocation of water entitlements and the Murray-Darling System) we will have to take back entitlements and people will be entitled to compensation.”*

Mr Windsor said that this statement raised the spectre of water entitlements being taken from irrigators irrespective of whether they wanted to sell or not.

*“‘Taking back’ and ‘compensation’ is different language from ‘buying back in a water market’ as Malcolm Turnbull, the Environment and Water Minister has been talking about.*

*“Water users need to know the fine detail of the Ten Point Plan and the Government’s REAL agenda,”* Mr Windsor said.

Mr Windsor believes that the bad experience of the Achieving Sustainable Groundwater Entitlements (ASGE) Program has made water users suspicious of the hand of help.

*“Groundwater users in NSW have experienced Government promises of ‘compensation’ in the Achieving Sustainable Groundwater Entitlements Program finding that they will be taxed up to 47% of the payments in the year of receipt.*

The Commonwealth Government has breached the trust with Groundwater users in NSW under a \$100m plan - they need more surety on a \$10b plan that could have enormous ramifications on their businesses and communities.

Water users have rightly become suspicious of the ‘hand of help,” Mr Windsor said.

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