

STANDING COMMITTEE ON CONSTITUTIONAL AFFAIRS

**TRANSCRIPT OF EVIDENCE TAKEN
AT MARGARET RIVER, WEDNESDAY, 16 FEBRUARY 2000**

SESSION 2 OF 5

**Hon M.D. Nixon (Chairman)
Hon Ray Halligan
Hon Ken Travers**

BUSSELL, MR COLIN,
Representative, Potato Growers Association of Western Australia,
residing at RSM 204,
Busselton, examined:

CHAIR—Would you please state the capacity in which you appear before the committee?

Mr Bussell—I am a representative of the Potato Growers Association of Western Australia and a member of the water users coalition which has been active for two years. I have been a potato grower since I left school at the age of 18 and I am now 50. I am an extensive user of irrigation water and grow crops in the Jindong area and hope to continue to do so. My son has just joined the business.

CHAIR—You heard what I said to the previous witness so we can move on. You will have signed a document entitled "Information for Witnesses". Have you read and understood that document?

Mr Bussell—Yes.

CHAIR—Would you like to make an opening statement?

Mr Bussell—Having listened to Mr Iley, I can only reiterate some of the things he said even though that was not the purpose of my coming here. I mentioned to some potato growers that I was coming before this committee today and they said that some of us have certain problems in our areas relating to remnant bush on the farms. We acknowledge that some farmers have had the benefit of clearing their land in the high value area in which we live and have sold that land for the highest gain. In some cases people have received \$10,000 an acre for land with water. That land is currently being planted with grapevines. Some other people in the area left their remnant bush for different reasons including protection and now find that they cannot clear it if they want to. I am not saying people want to clear this remnant bush but they could not clear the land and capitalise on it by selling the bush if they wanted to. These people have done the right thing by the environment and they now find themselves in a position in which they might have substantial amounts of land which they cannot clear and they cannot get the same monetary return if they sell the land.

There needs to be a fairer system of compensation for the work these people have done and the restrictions placed on them. This could be done through rates and the different costs associated with the blocks. These people are doing the right thing. The land is in the hands of the best people to look after it. It should not be taken off the farmers as I think one of the members of the Legislative Assembly has suggested. Our local member for Vasse suggested that land care or community spirited groups might like to look after these areas for the farmers. Farmers must maintain fire breaks, reduce the fire hazard, control vermin and do all the different things which are necessary to generally look after the land. While they are the custodians of the land, that is about all they are. People need to recognise that the farmers have done the right thing. With all

the problems we have in the State, such as the Swan River, this is only a symptom of the major problem in the State and we need to recognise that. Basically, the paying of rates and restrictions on land need to be looked in a serious way. Committees like this give some hope that there may be some recognition of the work people did in the past. That is more or less my point about remnant vegetation.

I will describe a little bit of my past to demonstrate how the value of land title is not as good as it has been in our district. I started growing potatoes when I left school. My parents were not potato growers. I gained some experience from working with other farmers, learned how to grow potatoes and decided to go into the industry myself. The Water and Rivers Commission was not in existence at the stage, I think it was the public works department. I assessed the land and its suitability for potatoes. The next thing to be done was to discover water. I contacted a water driller and we drilled a hole, obtained water and started watering. I started growing about four acres of potatoes and today I grow 50 acres of potatoes, water 30 acres of vines and am expanding the vineyard side of things. If I was a young farmer starting today I would not be able to put down a bore. Our district was proclaimed for a water zone in 1985. Water licences were issued in 1986 after the capital gains tax became applicable to the sale of assets after that date. It is interesting that that was when water licences were first issued. It was never advertised in our district. The system was if you were using water, the government was only interested in the bores that you were using. We were not told that the idea was to licence the water, just that they wanted to conduct a survey. A retired gentleman came around in a little old white ute and asked where we were getting our water from because the government was doing a survey. Most of us smelt a bit of a rat because of the way things are done in government departments sometimes, they do not always tell you exactly what is going on. However, some 18 months after that a water licence arrived for the water we were using. That is how it came about. There was no advertising of the fact that the area would be proclaimed, there were no advertisements saying that if we did not get a licence shortly, we would not get one. This is the system we have today. Some people have huge numbers of water licences. The Sumich market garden was very close to my place and the owner watered 100 per cent of his property. That property still has a huge water allocation today but the use of water on that property has changed. It does not require the same amount of water to water 100 grape vines as it did to water 100 acres of horticulture crops. The water use is about 5 acres of grapes to 1 acre of horticulture. That property has a huge number of water licences but another neighbour of mine is a dairy farmer. When the water licences were being issued he had stopped irrigating but he had previously irrigated pasture to water his dairy cows. Things have happened in that family over the years, his father died and the owner is finding the situation is not conducive to continuing farming. He does not necessarily want to continue farming but he does not have a water allocation because he did not receive one when the licences were first registered and he was never notified that he would not be able to use water again. That is one example but I am sure there are plenty of others. We were never told that water would be restricted. If that farmer tried to sell his farm nobody would want to buy it because it is horticulture land without a water allocation. The land is worth \$2 000 or \$3 000 an acre when land of the same calibre with a water allocation is worth \$10 000 an acre.

I have made the point to many people that I am not sure whether we had the right to put down bores and extract water but we did it and no-one stopped us. Our local member has told me that we did not really have a right, that we assumed the right and no-one objected. There is a lot of talk about water at the moment, there is a water Bill before the Legislative Council and the water

users coalition has made plenty of submissions. We have been castigated by the Minister for Water Resources who has said we are not a representative group. We represent 25 water users from Carnarvon to Albany. We have been meeting for two years. A lawyer works with us and we are a very active committee. We are not against all the things the Government is changing in the new water Bill but there are certain things which we require to satisfy our needs. We do not agree with everyone going hell for leather and pumping and destroying the water resource — we are not about that at all, we are responsible water users. If the minister believes we are not really representative of the water users and he knows of other groups which are more representative than us and oppose our point of view, I would like to hear from them. That was the subject of his press release last week. He thinks we are a splinter group. I do not know of any other group. I have been on the committee for over two years and neither I nor any other committee member has been telephoned by anyone disagreeing with our point of view and what we are putting forward. We are representing groups. Committee members are nominated by people from our organisations; in my case it is the Potato Growers Association of Western Australia.

Water has been badly managed in the past; an example of that is the way the water licences were issued in the first place. If this is the way the new Bill will be implemented, it will have serious implications. I have a letter in tomorrow's local newspaper referring to our local member, the member for Vasse, outlining the discussions I have had with him about our views on this subject. He is quite negative to our point of view and has said that even if the Bill is not right, the Government will get it through Parliament and amend it at a later date. That may be so but the coalition needs to remember that it may not be in Government in five years' time. We have seen it all before. Governments have the best intentions when a Bill is passed but five years down the track the spirit of the Bill is lost. The people who wrote the Bill are different to those who must administer it and we are left with what is in black and white. That is where it fails.

The minister says there has been ample consultation. We find it hard to come to terms with this word "consultation" and what it is. As far as we are concerned, the consultation should have taken place before the Bill was written. The Government, the minister or the Water and Rivers Commission should have sat down and had some dialogue with the main users of water. That did not happen but the minister claims there has been that much dialogue and consultation it is exhausting. That is okay if you write a Bill and present it to people and say that is what you are planning. There are many changes in the Bill but it is not consultation; consultation is us defending our rights and trying to get a Bill which suits us better. If the Government had started from the bottom with the people concerned, we would have something much more workable.

In the eastern states, for instance, they refer to the fact that they have tradeable water entitlements for the Murray River. There is no Murray River in Western Australia and we do not have the same problems. The Blackwood River is our best river and it is polluted and full of salt. We do not have the same amount of pressure and salt going into irrigated areas. However, in the south west we have Dunsborough. At Jindong we are in a formation called the Leederville formation; that is the underground watertable under the Busselton and Jindong areas. That aquifer is 130 per cent allocated — it is 30 per cent over allocated. The committee needs to understand that water being allocated does not mean it is being pumped or drawn. The member for Vasse gave me a figure of 105 per cent allocated or five per cent overdrawn. There is a huge allocation in that 105 per cent for the town of Dunsborough for development up to the year 2020. There is no further allocation available to farmers in our district for agriculture - no allocation

has been left for agriculture. We will now talk about trading water. As far as I am concerned, we have some test bores and there has been a limited amount of water research, such as underground surveys, geological and hydrological surveys. However, the surveys are not that consistent and if we look at the eastern states, we find that there has been much more research into water resources. In the past six months we have found that big bores have been sunk in Marybrook and coming towards the town of Vasse. Those bores have been hooked up and are pumping towards Dunsborough. That water will come out of the Leederville formation into Dunsborough for the next 20 years and there is no allocation for farmers. Most of the farmers in the Marybrook area do not realise yet that if they want to put down a bore, they will be able to get enough water for their house and their livestock but there will be no irrigation in that area. Their water has been taken for the township of Dunsborough which I feel will spread to the east and come into our area. Water from agriculture will then be transferred for urban use in Dunsborough.

CHAIR—I have a problem here. We often have to limit our petitions to those areas on which we can have an impact. We have difficulty if there is a Bill before the house because it will receive the full attention of the house in due course. We try not to duplicate that discussion. Do you want to raise any other points?

Mr Bussell—No. These things have happened without the Bill.

CHAIR—I would like to go back to that.

Mr Bussell—Water is being taken from agriculture in the Busselton area and earmarked for urban development in Dunsborough. I have a real problem with that because in east Busselton there is a huge reservoir of water underground which is known as the Yarragadee formation. The formation goes from the Blackwood to the other side of Perth and up to Geraldton. It is a huge resource of water which should be earmarked for Dunsborough and piped in the proper way. However, the cheapest way is to take the small amount of water in the Leederville formation under the agricultural area. I am calling for the state government to further research all aquifers in the area so water is not taken from agriculture. We are told that the water does not belong to us - it belongs to the crown or whoever but what is the value of land in the desert?

CHAIR—I represent the Agricultural Region and the shires in that area are calling, and getting good support, for a hydrological survey of the whole area so we know what resources are there. That is already happening. Years ago there was plenty of water and a few people started irrigating and there were no problems. One could well say that Captain Stirling should have written this into his instructions when he first came here but until there was a need nobody worried about it. I think you agree that at the end of the day we have to protect the resource and the evidence is that in Western Australia our resource is better protected than the resources in the east; it is just how we do it. This is as I see it - you had a de facto right to pump water on your land because it was not a limited resource and you did it. Anybody who did so at that stage had a de facto property right. I would say that when a licence was granted, it added to the value of the property rather than detracted from it and anybody who received a licence probably increased the value of their property. However, a person who had not drilled before that time probably suffered a loss of de facto value; I do not know whether it is a legal right. Some of the pre-federation titles included mineral rights to the centre of the earth. This is a relatively old area. Are there many of those old titles?

Mr Bussell—There are quite a few and there is an argument that the holders of the old titles have that right. However, the Water and Rivers Commission claims they do not. That could be the subject of a Supreme or High Court ruling but that option is not really accessible to the average farmer.

CHAIR—No. There are moves afoot to allow people who are not using their water rights to sell them. Once one has issued "titles" to water, it is important to find ways of transferring water from those who are not using it to those who wish to use it providing the people who own the "property right" are prepared to give it up. Would you accept that?

Mr Bussell—I do not have a big problem with it. However, I would prefer that the water belonged to the title and stayed with it and that if a person did not want to use his entitlement he could lease it for a number of years. I have no problem with the government supplying the infrastructure in sourced areas like Harvey where people do things. However, in the cases where underground water has been developed by the farmers we put the infrastructure in, spent the money and did the surveys. The Water and Rivers Commission has the logs of our bores and it has a good understanding of our underground water, mainly because of our pumping information and research, not its own. The main thing that worries me is the removal of water from agricultural areas to urban areas. Our water is so rusty it is ridiculous and I do not think any area would want it. We have very poor quality bores; they are good enough for us but they not anything like the government would put down. The government bores cost \$500,000 and ours come to \$30,000. I have had a 400 feet deep bore for over 20 years and I have not seen any difference when I pull the pump out of it to service. One can tell what the static level is and what the draw down level is when it is pumping. Experienced people can look at the wear and the marks on the column and it is no different to what it was in the past. That is a matter for debate. South Australia has put a large amount of funding into water resources and the rock it has. They have only halfway through the survey and have twice as much water as they thought they did which is a bonus. If you are going to consider trading, surely the value of the trade or the kilolitre of water is governed by the amount of water in the ground.

Hon KEN TRAVERS—That only works where there is an over allocation.

Mr Bussell—Yes, so first of all we must better quantify the resource. When we are looking at changing the rules; we need to look at all the rules. Everyone asks whether we are in favour of tradeable water entitlements. We must realise that tradeable water entitlement comes with much more baggage. It sounds very good to the lay person who does not understand the implications and if you are in a sub-area on one side of the road, you can transfer the water but you cannot if you are in another district.

CHAIR—We are getting into delicate ground. I was asking whether the water right should be the property right or the person's right.

Mr Bussell—I have three locations in the Jindong area. I can trade between two. I am growing the same amount and it depends on which block I chose to do my agriculture on. I can move between two blocks for agriculture there but I cannot use that underground water for the third block. That restricts me in agriculture even though I am growing the same amount of crop and rotating it in the area. I am on the wrong side of the road — some neighbours are trying to sell

their property and we have a road down the middle. They can sell the land but they cannot transfer the water because the road runs down the middle. The geologist who is meant to be the guru of water is Mr Phillip Commander and he works in water resource management in Perth. I think it is ridiculous; if all the water is coming out of the same sponge underneath, it is not really divided by a road or a boundary. No matter what laws are introduced, we need to look at the way they are administered and the regulations which follow.

CHAIR—Thank you.

[The witness retired]