

# Water ownership more secret than tax havens

The [Water Management Amendment \(Transparency of Water Rights\) Bill 2020](#) before the Parliament of New South Wales threatens to expose vested interests speculating in water for profit at the expense of agricultural production. An online public register proposed in the bill would reveal all foreign and domestic holders of water including from foreign tax havens such as the Cayman Islands, and water holdings of politicians. Although the bill was narrowly defeated in the Legislative Assembly on 6 August, a compromise deal with some amendments may still be possible. And given the ferment in the population in rural Australia, this issue won't die easily.

## The Real Story Behind Howard's Murray-Darling Water Laws

Written by Jeremy Beck, Honorary Fellow, Centre for International Law, Monash University, Victoria, Australia. [View full article](#)

Prime Minister John Howard's personal signature to the Parliament, authorising the Federal Government to acquire control of the water of the Murray-Darling Basin, was not a simple matter. It was a political statement, a statement of intent, a statement of power. It was a statement that the Prime Minister John Howard had the authority to do this. It was a statement that the Prime Minister John Howard had the authority to do this.

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Murray-Darling Basin Commission members. From left to right: John Skelton, Sir David Carr, Sir John Skelton, Sir David Carr, Sir John Skelton, Sir David Carr.

Jeremy Beck's [2007 New Citizen article](#) exposed the water privatisation agenda in the Murray-Darling Basin.

Helen Dalton MP from the Shooters, Fishers and Farmers Party [initiated the legislation last year](#), but the bill lapsed as of 23 April. Now reintroduced in both Houses of Parliament, in the Legislative Council the bill was supported by the Animal Justice Party, Australian Labor Party, Greens, Pauline Hanson's One Nation, and independent Justin Field. In the Legislative Assembly, Labor, the Greens and independent Alex Greenwich voted with the three Shooters, Fishers and Farmers MPs, but the Liberal Party and Nationals blocked the bill in a 37/44 vote.

[A PDF copy of the Bill](#) and [Explanatory Notes](#) on the Parliament's website shows how the "Access Register" would operate to facilitate public access to information relating to water access licences. An electronic search facility would enable details to be obtained including: the name of an individual or corporation, an ABN, name of a government department, name of an irrigation scheme, the number of an access licence, and the number of a water supply work approval.

Dalton points out the absurdity that members of the New South Wales Parliament are not required to disclose their water entitlements as part of their disclosures of pecuniary interests, but under legislation they must disclose such things as their property ownership, gifts, income sources, debts and contributions to travel. For example, some members even disclose the gift of a relatively cheap bottle of wine, yet they may have millions of dollars' worth in water interests which don't come to light. [Dalton voluntarily disclosed her own water entitlements](#) to make the point, including a 5,041-megalitre delivery entitlement with Murrumbidgee Irrigation. Similar disclosure rules happen at the federal level, which is how we know former PM Malcolm Turnbull has a big cash stash in the Cayman Islands. But water seems even more secret than the tax havens!

In a [27 February 2020 speech in Parliament](#), Dalton said "getting a water licence is easier than opening up a bank account. It is possible for corporate entities to obtain a licence without disclosing names of major shareholders, company owners, parent companies or other individuals who may directly benefit from the water purchased. ... There is ... a need to increase the amount of information a person or entity must provide authorities to hold or obtain a water access licence. It is not good

enough for a company in the Cayman Islands to buy large quantities of water—which has happened—while keeping the names of directors, board members and major shareholders a secret. That is disgraceful.”

On August 5, just prior to the vote for the bill in the Legislative Council, Shooters, Fishers and Farmers Party MLC [Mark Banasiak gave a parliamentary speech](#), making an important point regarding transparency: “Under the New South Wales Government’s system a person can buy millions of dollars of water without revealing their name or true identity. They do not even have to show their Australian Business Number [ABN]. This bill addresses that gross flaw in the system. It is not good enough for a company in the Cayman Islands to buy large quantities of water while keeping the names of directors, board members and major shareholders a secret. If you are a corporation, foreign or domestic, and you want to own Australia’s most precious natural resource then we the Australian taxpayers deserve to know something about you.”

Opposition to the public register endorsed by big corporate interests and the Liberal-Nationals coalition cite privacy reasons. Banasiak blasted the government’s nonsense argument: “The Government’s ridiculous excuse for opposing this bill is that it violates the privacy of mum and dad farmers. It claims a water register will lead to animal activists going onto farms, pulling out crops and sabotaging dams. This is the Government’s only excuse for opposing this bill—and what a rubbish excuse it is. Has this Government ever heard of the *White Pages* or the *Yellow Pages*? These directories have names, addresses and phone numbers of irrigators across Australia. Will the Government campaign to have these directories banned for privacy reasons? A water register will not publish personal phone numbers and emails, as suggested by the New South Wales Nationals.”

The bill was referred to the Upper House Portfolio Committee No 4 which released a [report on 31 July 2020](#) on this and two related bills on water. The committee recommended further parliamentary debate considering stakeholder concerns set out in its report. It [received 19 submissions](#), which make clear that big corporate interests oppose the register, while there’s no deluge of community concern about privacy from ordinary farmers. In fact, the opposite is true! Earlier this year, Dalton introduced a petition to parliament which was signed by 11,000 people who supported a national water register and a Royal Commission into the Murray-Darling Basin. And widespread support for a public register has resulted in a broad coalition joining Dalton in Parliament.

The [Register of Foreign Ownership of Water Entitlements: Report of registrations as at 30 June 2019](#) shows foreign water ownership is at 10.5 per cent, or 4,113 GL of the total 39,124 GL of entitlements on issue. China tops the list by country with 756 GL, mostly due to a Chinese company’s stake in Cubbie Station, followed by the USA’s 713 GL and UK’s 394 GL. At least the Chinese part-owner of Cubbie Station uses its water for production, and has an interest in keeping it cheap; more concerning than foreign ownership is the speculative water trading by corporates and individuals which plays a big role in inflating water prices. Last year Water Resources Minister [David Littleproud told the ABC](#) that 14 per cent of water trades in the southern Murray-Darling Basin are from corporates and individuals who don’t own land. A public register would provide transparency for one of our most valuable commodities.

*By Jeremy Beck, Australian Alert Service, 19 August 2020*