

# Citizens Electoral Council of Australia

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## MEDIA RELEASE

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### Murray-Darling Basin Plan was always a fraud

The scandal-ridden Murray-Darling Basin Plan has once again stirred up passions, captured in an ABC Four Corners report on 8 July. Most commentators can't see the wood for the trees, or in this case, the hydrosphere for the water. As the Citizens Electoral Council (CEC) warned from day one, the agenda was to privatise the Murray-Darling Basin water and loot Australians of tens of billions of dollars through increased water charges. A curious alliance of bankers, water traders and conservationists have blocked serious nation-building water infrastructure, thus creating artificial water shortages essential to maintain high water prices. Only a serious commitment to nation-building infrastructure will genuinely address any water shortage problems, not a "cash splash" of subsidies for big agribusiness.

[In September 2007 the CEC mass-circulated its \*New Citizen\* newspaper](#) with two front page headlines: firstly, warning of the impending Global Financial Crisis, which at that time few people anticipated; and secondly, an article headlined, "[Howard, ALP Privatising Murray-Darling Water](#)". In addition, an extensive feature article, "The Real Story Behind Howard's Murray-Darling Water Laws", documented the actual agenda of the Murray-Darling Basin Authority, which arose from the City of London/Wall Street financial oligarchy behind the Murray-Darling Basin Commission. Former Goldman Sachs Australia boss Malcolm Turnbull, then Howard's water minister, ensured "price signals" would not drive the expansion of serious nation-building infrastructure, but would certainly be a bonanza for vested financial interests.

In 2009 Matt Taibbi from *Rolling Stone* magazine described Goldman Sachs as "[a great vampire squid wrapped around the face of humanity, relentlessly jamming its blood funnel into anything that smells like money](#)". Taibbi documented [Goldman Sachs's history of influencing policy by installing its economic hit men](#) in governments and central banks. The case of the Murray-Darling Basin Plan should be obvious. It seems hardly coincidental that Turnbull introduced the Murray-Darling Basin Plan's regime of mandatory water restrictions and water trading at the same time that Goldman Sachs was moving heavily into water speculation globally, buying up water rights and utilities and declaring water to be "the petroleum for the next century". In a 2008 report Goldman Sachs stated, "Demand for water continues to escalate at unsustainable rates. At the risk of being alarmist, we see parallels with Malthusian economics."

In promoting "Malthusian economics", Goldman Sachs showed its true colours. British East India Company house economist Thomas Malthus infamously claimed the world was overpopulated in 1800, and advocated many ways to kill the "surplus" people! "In the country, we should build our villages near stagnant pools, and particularly encourage settlements in all marshy and un-wholesome situations." The Murray-Darling Basin Plan comes precisely from this imperial mind-set. And this Malthusian agenda explains the presence of the Wentworth Group of Concerned Scientists, a front for Prince Philip's World Wide Fund for Nature. Concern for the environment was always a ruse. Isn't the river erosion from so-called "environmental flows" evidence enough?

Griffith Business Chamber Vice President Paul Pierotti summarised the MDB Plan on the Four Corners report: "The Murray-Darling Basin Plan is a triple bottom line fail. It's fail for communities, it's fail for the economy and it's absolutely fail for the environment. It has been the biggest waste of \$13 billion in the history of Australia's economy." In testimony to a Senate Select Committee on 27 October 2015, Pierotti stated: "What is happening is that we are completely manipulating the market by under-allocating at the start of the season. That is the first issue. The second issue is that we have major players like major corporations—Macquarie Bank and lots of others—who are manipulating into the market. So, the real issue is that ... trading from non-landowners should be stopped immediately. It is a manipulation of the market."

#### The infrastructure solution

Rather than token "water saving" infrastructure, government must step in to build the Clarence River Scheme that would *add* water to the Basin, generate hydroelectricity and provide flood mitigation for Grafton. The scheme would divert the waters of the upper Clarence and Nymboida Rivers over the Great Dividing Range into the Dumaresq River, and on into the Macintyre, Barwon, and Darling Rivers, before flowing into the Murray River near Mildura, and on down to South Australia. Additionally, a nearby Macleay River project would divert water into the Gwydir River and on into the Barwon and Darling Rivers.

Pierotti told the *Australian Alert Service* that expanding Lake Burrinjuck on the Murrumbidgee River from its present 1,028 gigalitre (GL) capacity to 4,000 GL would provide significant benefits. The Griffith Business Chamber in 2017 formally proposed this Burrinjuck Dam upgrade that would create a reservoir eight times the size of Sydney Harbour. The new dam's design would overcome cold water issues caused by water releases from valves at the bottom of the dam at present; it would provide added flood protection for downstream towns such as Wagga Wagga; and hydropower alone would make it economic. The catchment area is huge—larger than the catchment area of Dartmouth Dam and the whole of the Snowy Mountains Scheme. It's a no-brainer, but so far the federal and state governments have dismissed it.

Australians should reflect on the vision of yesterday's leaders in building the Snowy Mountains Scheme versus today's cynical water politics, which uses environmental concerns to drive up prices and drive out independent family farms, in favour of large corporate and financial interests. We must demand better.

[Click here for a free copy of the CEC's New Citizen special report, "The Infrastructure Road to Recovery".](#)