

ABC 4 Corners Fabrications

In a program aired on ABC TV on Monday 27 July 2017, 4 Corners presented a story full of factual errors and poorly researched allegations that were seemingly intended to impinge on the reputation of Webster Limited amongst others.

Below is an analysis of the fabrications advanced by the program as they relate to Webster and our correction of the record.

1. ABC Fabrication

LINTON BESSER: These storages are owned by a company called Webster Limited.

Now, just two big players own 70 per cent of the water in this river.

One of them - Webster Ltd - now owns more water than anyone else in this country outside the federal government.

Fact

Two big players (presumably including Webster) do not own 70 per cent of the water in the Darling River. That is plainly untrue, deceptive and misleading.

In fact, only 6% of average Darling River flow is available for extraction.

Of all the cotton grown in Australia more than 70% is grown with water that would otherwise flow into the Darling River. Webster produces less than 2% of that cotton. If Webster owns most of the water, what are farmers using to grow the other 97% of Australia's cotton crop on Darling River tributaries?

Whether Webster "owns more water than anyone in this country outside the Federal Government" we have no idea and no way of verifying that statement. What we can say with complete confidence and accuracy is that in the whole of the Murray Darling Basin, Webster owns less than 1% of all water entitlements.

Is that the impression the ABC was seeking to portray?

2. ABC Fabrication

LINTON BESSER: Webster is chaired by corporate raider Chris Corrigan.

Fact

Chris Corrigan has not been involved in a corporate raid of any description. So what was the point of the unflattering label? Is this just another example of not letting facts get in the way of an ABC agenda?

3. ABC Fabrication

MARTIN CRABB, SHAW AND PARTNERS: If they didn't plant any cotton, and they had a very high water price, they would make a lot more money selling water than planting cotton.

Which is part of their model. (*Stet.*)

So, although it's one of Australia's biggest cotton growers, it could actually make more money by not growing cotton.

MAL PETERS, FORMER MURRAY-DARLING BASIN AUTHORITY ADVISORY COMMITTEE CHAIRMAN: So, when you talk about an irrigation company that has come in, is not there to produce agricultural production but to make profit from selling the water, I don't think that's a good outcome for those communities and it certainly not a good outcome for the Australian economy.

Fact

Webster 2016 Annual Report:

“Webster’s strategy is to maximise the available water from those water entitlements.

Rather than selling the annual water allocations derived from these entitlements, which is always an option, we aim to convert our water assets into more valuable horticultural and agricultural products. This, we believe, is likely to provide shareholders with a higher return on their funds in the medium to long term.”

4. ABC Fabrication

LINTON BESSER: In the Barwon-Darling, a new set of water pumping rules introduced by the NSW Government have been a boon for the company.

The rules which came in after extensive lobbying by irrigators allowed them more access to water than prior to 2012 when the Murray-Darling Basin Plan was signed.

Fact

Webster acquired the Darling Farms property in June 2015. No water pumping rule changes have been introduced since that property was acquired.

5. ABC Fabrication

LINTON BESSER: Now, even when the river runs low, Webster can use these pumps to take millions of litres of water.

Fact

Webster has acquired licences to extract a defined quantity of water under strict flow conditions. Webster can only extract water in accordance with its licencing conditions. Any changes in the rules, which in any event pre-date our acquisition, have made no difference to the absolute amount of water that can be extracted.

6. ABC Fabrication

LINTON BESSER: Now, even when the river runs low, Webster can use these pumps to take millions of litres of water.

Fact

No. Webster can extract the volume of water it is entitled to under strict flow conditions. It has nothing to do with the size of the pumps.

7. ABC Fabrication

BILL JOHNSON: In the Barwon-Darling, that water is pumped out and stored and used to grow irrigated crops.

It is a subversion of the intent of the basin plan, of the water act and the basin plan. (*Stet.*)

It undermines, that undercuts the whole intent of the basin plan. (*Stet.*)

Fact

No, that is fundamental misunderstanding of the Murray Darling Plan. The plan was all about defining the amount of water that can be extracted to grow irrigated crops, separating the water entitlement from the land title and defining the rules under which water allocations can be extracted.

8. ABC Fabrication

STUART LE LIEVRE, GRAZIER 'YATHONGA': The major irrigators have taken it.

There's no Darling extraction limits anymore.

Fact

This is simply untrue. There are extraction limits and there are precise rules under which extraction can take place. These rules are significantly more restrictive than those that were in place prior to the Plan.

Why would the ABC propagate this lie?

9. ABC Fabrication

ROB MCBRIDE: It's changed.

You can take water licences from further down the catchment and you drag it up to the top, everything is changing so rapidly.

People are profiteering.

People want to get water in their hands because if you get water in your hands that's big money.

It's the biggest water grab in Australia's history and they're just moving, the goalposts are moving further up the catchment.

Fact

People are not profiteering. They are selling their water licences for money. These are water rights they have acquired or been granted. That's how the whole Murray Darling plan was supposed to work. Water titles were separated from the land titles and can be sold independently. This allows for water to find its way to the most profitable use.

If water entitlements are moving in the catchment, that does not mean the goalposts have changed. They have not. However, the place where water is most effectively deployed may have moved. This is the very essence of the Murray Darling Plan.

There are rules restricting the movement of water to other parts of the Barwon-Darling system. There are 4 sections of the River that the water can move within and they largely reflect the sites where irrigation was established particularly, Bourke and areas around Mungindi to Brewarrina.

Private property rights are a concept, which is apparently not easily understood within the ABC. Perhaps they may get a better grasp if we suggest they share their homes with others less fortunate. That would be a genuine gesture of "fairness"!

10. ABC Fabrication

MAL PETERS: I mean, that's social engineering. (*Stet.*)

Transferring wealth from one part of the community to another part, and that's not acceptable at any level.

Fact

What is not acceptable is surely the deliberate promotion of untruthful propaganda and inaccuracies by any credible news organisation.

There is no involuntary transferring of wealth. Water holders may be selling their water licences for money, which, in a free society with private property rights, is surely their right. They are not transferring wealth; they may be transferring assets but that is an entirely different matter and not to our knowledge either an illegal or improper act.

11. ABC Fabrication

ABC News: Post the 4 Corners program, a subsequent news program on the same media outlet made allegations of water theft whilst displaying images of Webster's pump site, which had previously been identified on the 4 Corners Program. The inference was that Webster had been engaged in illegal water extraction. This juxtaposition of identified image and allegation is deliberate and damaging to Webster's reputation.

Fact

To be clear, Webster has not extracted water in breach of its extraction limits.