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"If we are serious about food security, we need to protect these water resources."

Independent MPs Bob Katter (Kennedy, Qld) and Rob Oakeshott (Lyne, NSW) have also raised water supply concerns during questions to the government in parliament.

And Labor MP for the northern NSW seat of Page Janelle Saffin added to the debate when she tabled a petition from her constituents.

"My primary concern is about water," she said. "I note that often people want the federal government, whoever they are, to fix everything that the states do not do. This is not always possible, but this is an issue we need to tackle."

Nationals MP Mark Coulton has told the House people in his electorate of Parkes (NSW) are becoming increasingly concerned about coal seam gas exploration.

"While I am not opposed to the coal seam gas industry as such and I believe there is a place for both farming and coal seam to coexist, I think that we need to have a closer look at the safety aspects of coal seam gas mining," he said.

In response to Mr Katter's question, Prime Minister Julia Gillard said the government was monitoring the debate over water impacts.

"In order to deal with this issue billions of dollars of investment, a constitutional position and some

farmers with concerns - what you need to do is be studious, methodical and careful," she said.

"You have got to make sure that you understand the situation, that you act consistently and that you give the same message to all parties."

Greens Senator Larissa Waters said her party was in discussion with Mr Windsor over his bill when she introduced a Greens bill into the Senate which would give farmers the right to say no to coal seam gas mining on their land.

"Our bill will be a test for the government and the Coalition on where they really stand on food security and the longevity of our rural communities," she said.

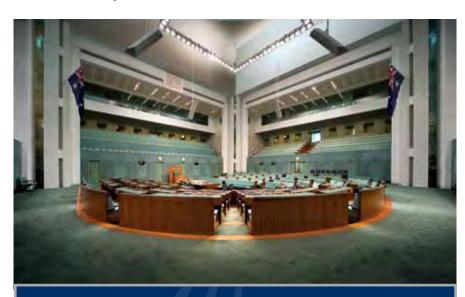
Mr Windsor would need the support of a major party and several crossbenchers for his bill to pass.

The House of Representatives Agriculture, Resources, Fisheries and Forestry Committee is inquiring into the bill and has asked all Australian governments to provide submissions.

A Senate inquiry into the management of the Murray-Darling Basin has also been investigating the impacts on it of coal seam gas mining. It is due to report by the end of the year. •

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OILS AIN'T OILS: Support for labelling bill dissolves

PALM OIL BILL STALLS

Legislation requiring food manufacturers to state whether palm oil is present in a product has been rejected by a majority report of the House of Representatives Economics Committee.

Currently food containing palm oil can be labelled as vegetable oil. While some palm oil is produced sustainably, much of it is associated with deforestation in Indonesia and Malaysia which in turn threatens wildlife such as orang-utans.

During two days of hearings, the Economics Committee heard differing views from the food industry, environmental groups and representatives of the Malaysian government and palm oil industries about the potential impacts of this legislation.

The Food Standards Amendment (Truth in Labelling - Palm Oil) Bill 2011 was co-sponsored by independent Senator Nick Xenophon and the Greens and had already passed through the Senate.

But the committee report recommended scrapping the bill because it would not be effective.

According to the report, the states and territories, which have the power to legislate on food labelling, would not be compelled to comply with the law.

NEWS

Committee chair Julie Owens (Parramatta, NSW) also said the bill would put Australia at risk of a World Trade Organization dispute with Malaysia and Indonesia, and threaten labelling harmonisation arrangements with New Zealand.

"We understand the strong feelings in the community about palm oil and any link it may have to deforestation and the reduction of orang-utan habitat." Ms Owens said.

"But the bill will not fix the problem. Instead, it will harm our international relationships with New Zealand, expose us to a WTO dispute, and threaten nationally uniform laws that annually save billions of dollars in costs for consumers and businesses.

"A long-running review sponsored by COAG is already looking into this. We should let the review run its course."

Coalition committee members issued a dissenting report noting the government supported the bill until recently and recommending the bill not be passed at this time in light of the government's stance.

Greens MP Adam Bandt (Melbourne, Vic) also released a dissenting report questioning why the bill lost support after passing the Senate.

"It is disappointing that the government is not prepared to support this bill and that the Coalition has altered its level of support," Mr Bandt said.

"If there are, as the government alleges, barriers to the parliament passing the bill, then the government has the power to remove those barriers, and should do everything necessary to enable labelling of palm oil and the passage of this bill.

"Further, the review of food labelling law and policy has been underway for two years and the rate of reform is frustratingly slow.

"The main driver for food labelling should be conveying information that enables consumers to make informed choices, rather than the demands of the food industry." •

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BACK TO BASE: Maintenance measures to be implemented

Defence to improve upkeep of bases

Audit recommendations accepted.

he Defence Department has told a parliamentary committee it has accepted the Auditor-General's advice on how to better maintain its vast portfolio of real estate and property worth \$20 billion.

The Australian National Audit Office (ANAO) reported that Defence faced a \$500 million shortfall over three years in maintaining its 72 major military bases, plus training areas and other military establishments scattered across the country. The annual upkeep of this Defence estate cost taxpayers about \$482 million but, according to the audit office, Defence's maintenance management has "not been fully effective".

The ANAO considered Defence should have long-term upkeep plans and condition assessments of base facilities and infrastructure, including engineering services. It warned funding for current estate maintenance was insufficient and this funding shortfall will increase maintenance backlogs and reduce the life of existing assets.

Deputy secretary of defence support Simon Lewis told the Public Accounts and Audit Committee the department welcomed the ANAO report and had accepted the recommendations.

"We will embed the recommendations into our day-to-day processes," Mr Lewis said.

An earlier Defence budget audit report from 2008 described the Defence estate as an "ageing, complex and costly historical legacy in which investment for maintenance had been decreasing since the 1980s". It urged Defence to move to fewer "super bases" if they were consistent with strategic planning requirements.

But Mr Lewis told the parliamentary committee that consolidating military bases around Australia was unlikely to save much money in the short-term and most likely require spending more, not less, during any start-up phase.

The upfront costs would include the buying of new sites, repairing of former Defence sites so they could be sold or used for other purposes, and improving the facilities at existing bases where consolidation was to occur.

He told the MPs there would be savings but they would come further down the track. •

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