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MEDIA RELEASE IRRIGATORS NOT CONVINCED ON SNOWY PROTECTIONS

Key irrigator groups in NSW say they must withdraw support for the sale of Snowy Hydro. The groups previously announced conditional support for the sale based on Governments guaranteeing a cap on share ownership and maintaining current water delivery arrangements to the Murray and Murrumbidgee Valleys including the Snowy licence.

The groups, including Murrumbidgee Irrigation, Coleambally Irrigation Cooperative, Murray Irrigation Limited and the Ricegrowers' Association of Australia have voiced their opposition to the sale following an announcement by the NSW, Victorian and Federal governments of protections to maintain the Australian identity of Snowy Hydro.

These include the imposition of a 10 percent cap on individual shareholdings for four years and protections on Australian ownership within the new company's constitution.

The groups however have rejected these protections as insufficient to allay irrigator and community concerns.

"The Cap on shareholding is a 'Clayton's Cap', said Murrumbidgee Irrigation Chairman Dick Thompson.

"After the four year period, it would take a vote of more than 50 percent of shareholders present at a meeting to **retain** the 10 percent Cap. This does not provide the protection the community seeks," said Mr Thompson.

Coleambally Irrigation Chairman, Robert Black believed that the Australian identity protections would be at extreme risk after four years. Under the Governments proposal these identity protections can only be removed by a special resolution requiring a 75 percent shareholder approval.

"This is okay in a situation where a 10 percent cap is in place. However, the 10 percent cap will not hold up after four years meaning a small group of large shareholders could easily change this."

"If an Australian icon like Qantas can have a constitution that includes limits on ownership supported by an Act of Parliament then surely Snowy can as well", said Murray Irrigation Limited Chairman, Stewart Ellis.

"The attempts of the three Governments to limit shareholdings now appear to be totally false.

These Governments had the opportunity to protect the rights of all Australians within the sale and have failed to do so".

RGA President, Laurie Arthur expressed his disappointment in the position of the three governments.

"Throughout the process, our organisations have provided conditional support for the Snowy sale on the basis that current arrangements for the release of water to the Murray and Murrumbidgee Rivers remain unchanged and that individual shareholders be limited to a permanent 10 percent cap.

Clearly, governments have failed to deliver on the issue of ownership and as such, on behalf of the many thousands of irrigators we collectively represent, we must oppose the sale. "

Ends: For further information contact Matthew Linnegar, Corporate Affairs Manager, Murrumbidgee Irrigation on 02 6962 0200 or Mobile 0428 264 823