

Wentworth Group of Concerned Scientists chair buys up Duxton Water shares

A wealthy environmental philanthropist has been scooping up Duxton Water shares to profit on its speculation in irrigation water trading.



Wentworth Group of Concerned Scientists chairman Robert Purves has bought six million shares in Duxton Water.

The chairman and financial backer of the Murray Darling Basin’s Wentworth Group of Concerned Scientists, Robert Purves, has been scooping up Duxton Water shares to profit on its speculation in irrigation water trading.

Meanwhile the Wentworth Group has been campaigning for the Federal Government to enter the market to buy more irrigation entitlements for the environment, which would further shrink the consumptive pool and push up prices, benefiting Duxton.

ASX documents show Mr Purves, who is a wealthy environmental philanthropist, lifted his shareholding in Duxton Water to above the 5 per cent “substantial holding” threshold in June, which required the company to disclose his total investment.

Mr Purves is also a director of the Purves Environmental Fund, which makes regular donations to the Wentworth Group — \$200,000 in 2020 and \$347,000 in 2019, or close to half its annual budget. They also share the same office suite in Macquarie St, Sydney.

It appears Mr Purves has been profiting from Duxton’s water trade since 2018, when he first bought 3.13 million Duxton shares for about \$1.15 each, which pay regular dividends.

Since then the Purves Group of companies – Endurance, Defender, Elata, Inari, Omura and others – have each been buying small parcels of Duxton Water shares.

ASX documents show as of June 17 this year the Purves Group had acquired almost 6.05 million Duxton Water shares, now worth \$1.395 each or a total of \$8.44m, which represents a 5.05 per cent stake in the Basin speculator.

In responding to questions on his Duxton investment and role as Wentworth chairman Mr Purves said: “my family has been in agriculture for four generations and own properties in southern NSW – we know water is an important part of agriculture”.

“We’ve got a diversified portfolio in agriculture, including water holdings such as Duxton and proudly hold irrigation licences directly growing fodder for our sheep and cattle,” he said.

The Weekly Times is not suggesting Mr Purves has acted improperly.

However NSW Nationals Senator Perin Davey said “here’s a bloke, who through the Wentworth Group is advocating for more water recovery for the environment, which has consequences for the water market in pushing up prices,” Senator Perin said. “Then he could benefit from constraints on the water market.”

To date the Federal Government has recovered about 2107 gigalitres under the Murray Darling Basin Plan, mainly from irrigation communities.

But the Wentworth Group has repeatedly called for the government to re-enter the water market to deliver an additional 450GL for the environment, rather than putting all its funds into trying to recover water it saved by boosting the efficiency of irrigation infrastructure and management.

In a December 6, 2019 Mr Purves and other members of the Wentworth Group wrote a letter to the Federal Water for the Environment Special Account Review, stating: “recovering water (for the environment) through (irrigation) infrastructure upgrades is between two and seven times more expensive than water purchase”.

The Wentworth Group called on the Federal Government to instead “lift the (existing) 1500 GL cap on (federal irrigator) buybacks to allow for strategic water purchase towards the 450 GL target”.

Meanwhile Duxton chairman Ed Peter has been spruiking that water prices are simply going to keep on rising.

Mr Peter told investors at a zoom briefing in June that the shortfall in water would continue across the basin, given the government had already bought out 31 per cent of irrigators high security and 27 per cent of their general security entitlements and permanent plantings were booming.

“We’ve got ‘Economics 101’ [supply and demand imbalances](#) that are so perfect you couldn’t make a better story (for investors).”

Mr Purves is a founding member of the Wentworth Group of Concerned Scientists and a director of the Climate Council of Australia, World Wide Fund for Nature Australia, Environmental Custodian Ltd, Bradham Investments, Bray Holdings, Carwoola Pastoral and numerous other property and investment companies.

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