



To The Committee Secretary  
Senate Standing Committee on Rural Affairs and Transport,

**Re: The management of the Murray-Darling Basin.**

The Griffith Business Chamber considers there are a number of deficiencies with the draft plan put forth by the Murray Darling Basin Authority (MDBA), the most notable being its lack of consideration for communities and economic activity within the Murrumbidgee valley.

The MDBA and the Federal Minister for water Mr. Tony Burke MP have conflicting views on the interpretation of the Water act 2007. This confirmed by Mr Burke with advise from the Commonwealth legal department and is also evident in Mike Taylor's resignation press release.

The MDBA has demonstrated an inability to accurately assess socio-economic impacts. Its assertion that only 800 jobs (people) will be lost, resulting in an 800 million dollar economic downturn across the entire basin lacks factual and credible data. The impact of the proposed Sustainable Diversion Limits (SDL's) on the Murrumbidgee valley alone is reported to be more like 7600 job losses and 1.2 billion downturn in economic activity. This is confirmed by data sourced from: Australian Bureau of Agricultural and Resource Economics (ABARE), Dr. Judith Stubbs' report, Access Economics report, and NSW irrigator's calculator. With obvious flawed data like this, how can we have faith that any calculations in the guide are correct?

The MDBA's environmental management plan does not take into consideration the water savings made using best practice water management processes, which have been or are being implemented. The guide misrepresents water used for farming as inefficient, making it appear scarce when in fact proper infrastructure and management practices would provide multifarious water for the environment. More water has fallen into the basin since October 2010 than irrigators in the Murrumbidgee have collectively used in the past 15 years.

Mother nature cannot be accurately predicted & it is never a constant. For this reason we need a flexible plan that can be adapted to suit the climatic conditions at any given time, whether it be drought or flood. The inflexibility of the suggested plan as it stands does not provide this. Predictive statistical inaccuracy in the MDBA report can be linked to research studies undertaken during the worst ever reported drought in Australia's history, followed by the recent floods. In addition, undue weight was given to the unproven theory of catastrophic climate change modelling.

The report also fails to take into consideration the impact its "Sustainable Diversion Limits" will have on established eco-systems which have developed naturally over one hundred years of channelling water to Murrumbidgee farms. Any reduction in channel flows will affect the natural habitats for many native endangered species, damaging unique micro ecosystems that exist within the channels & wetlands that irrigation has created.

Information should have been gathered, assessed, and released to communities for public consultation prior to releasing the MDBA guide. There has been a demonstrable lack of proper community consultation and open communication. As a result, there has been an immediate and detrimental effect on the morale in basin communities and their economies. Residential and commercial property values in Griffith have decreased, in some cases more than 30%. Retail business sales are down by up to 60%, with confidence and investment in our area at an all-time low. If there were proper community consultation, we would not have slipped into such devastating economic shock.

### **The Griffith Business Chamber calls on the Senate to immediately:**

- Halt further progress on the guide and ANY environmental water purchases until The House of representative inquiry, Senate inquiry and strengthening basin communities' study are completed.
- Amend Water Act – to recognize the need for balance between environmental flow, sustainable regional business activity, social community needs & Australia's future food security.
- Commit to exploring ALL opportunities of harvesting water. With an understanding that initial costs may outweigh unsustainable short-term buyback strategies.
- Consider capital cities population growth, infrastructure and environmental pressures and suggest a sustainable decentralisation plan.
- Look at ALL alternatives, any Permanent water traded from the M.I.A has an ever-lasting detrimental effect on our economy & therefore our community – every mega litre of water injects 3 – 7 times its own (permanent trade) value to our region each year. Government is required to implement a strategy to replace damaged and lost economy.
- Request efficiency mechanisms be implemented first – so that water saved can be used for the environment (and only when that has reached capacity should Sustainable Diversion Limits kick in) – e.g. – piped, pressurized irrigation system, cloud seeding, more dams & storage, improved cropping procedures, research assistance etc.
- Establish an Environmental Water Management Plan – until a transparent detailed plan on how environmental water is to be managed is made clear, the amount of water required cannot be accurately quantified so SDL's are premature.
- Foreign ownership of Water Rights – If we do not have enough water for Australian farmers and the environment we do not have enough to share. ACCC, Senate or other Government regulatory bodies should monitor & restrict water rights trading.

- Griffith Reliance on Irrigation Farming – The City & Community are overly exposed to an at risk industry. Griffith is almost 100 years old & should be encouraged to develop industries, which are not wholly water-reliant. This could include the decentralisation of government departments to support such economic and industry conversion.
- Legislation is required – Government policy/ legislation needs to address the duopoly situation in the Retail Food Sector, ensuring fair Farm Gate prices that reflect the high value of limited water for food.

The Griffith Business Chamber asks the Senate to develop a balanced and flexible plan that takes into consideration communities, farmers and the environment equally.

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