

## ALEXANDRINA COUNCIL

Preserving the Past - Securing the Future - Together Enhancing our Lifestyle



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The Committee Secretary
House of Representatives Standing Committee on Regional Australia
PO Box 6021
Parliament House
CANBERRA ACT 2600

Re: Murray-Darling Basin Authority Guide to the Basin Plan Alexandrina Council Submission December 2010

Alexandrina Council is situated on the Fleurieu Peninsula and its region includes the River Murray Mouth and much of Lake Alexandrina. The long term health of the River Murray and Lake Alexandrina is vital to the social, economic and environmental wellbeing of our communities and local industries.

The lower River Murray and Lakes communities directly reliant on a healthy river system have suffered more than enough through this long drought.

Their frustrations have been heightened by the recent posturing by governments upstream in their attempt to derail the Basin Plan. South Australian communities have endured far more than upstream users in suffering from the effects of low water and high salinity levels whilst upstream users maintained their over extractions..

Since the consultation began there has been widespread criticism from upstream interests that the Guide is "light on" in dealing with the social and economic consequences of meeting proposed outcomes of the Plan. This is a smokescreen to ensure significant resistance is built against the environmental objectives of the Plan.

Certainly the socio-economic impacts must be addressed but by Governments who have the resourcing and responsibility for the lack of action taken over the past decade or so.

Government must stand up and address the social and economic implications and needs that will result from reduced water allocations in some areas. Those affected must call on their State and Federal Governments to stand up and deliver either in the form of funding for improved water delivery systems, increased regional investment in employment creation and improved social infrastructure in the form of education and health and road infrastructure.

For communities dependent on the lower River Murray, lakes and the Coorong, we know only too well the socio-economic impacts that have already been widely felt due to the drought and over allocation of water rights for upstream users.

Much good work has already been undertaken down here. Council recommends the Authority consider the 'Long Term Plan for the Coorong, Lower Lakes and Murray Mouth' that was prepared by the South Australian Government following extensive consultation with communities dependent on the lower River Murray, lakes and the Coorong.

There have also been many soci-economic studies done in connection with the impact of drought by the South Australian Government and its agencies that surely will better inform the Plan. It seems that they are being overlooked.

### The Need for a Healthy Basin System based on adequate flows and low levels of pollutants

- Alexandrina Council (Council) strongly supports the need for a healthy river system
  including the Ramsar listed Coorong and the River Murray Mouth.
- Council recognises that to achieve a healthy river system a reduction in water extraction must occur. This reduction must be well planned to ensure maximum benefit from reductions and to ensure communities and industries have a sustainable future.
- Council believes that the total water extraction target should be based on the science available to the Authority. There is concern that the lower extraction reduction target will be fixed as the end target due to vocal opposition (from some sections of the Basin community) to the higher reduction targets described in the Guide to the Basin Plan.
- Food security must be at the top of priorities but this can only be achieved with a healthy river system. A balance in water allocations through out the Basin will better protect our food producing capabilities in the longer term.
- Council opposes any new structures in the River Murray such as new barrages, weirs, flow regulators, or dams. We already know that such devices impede the flushing of salts and pollutants.
- Water flowing out through the Murray Mouth delivers multiple benefits during its journey down the river including the flushing of salts from the Murray Darling Basin system. These salts enter the river along its length and not just in South Australia where the flushing must occur. The key objective must be to guarantee that under normal conditions a % of savings from all states must be delivered out through the Murray Mouth.
- There needs to be an "end of river flow" target set. Water needed to flush salts should be separately accounted for before setting South Australia's sustainable diversion limit and environmental flow requirements.
- A salinity target of removing 2 million tonnes of salt from the MDB System annually is discussed. Some 10,000 gigalitres (GL) of water may be required to flush these salts out through the Murray Mouth (see DWLBC & MDBA 2007 Reports). Yet the Guide states 2,000 GL per year is a minimum requirement to keep the Murray Mouth open. Far more than this will be required to flush out 2 million tonnes of salt from the MDB system annually.
- Furthermore any readings of salinity levels taken at Morgan are misleading as to the health of the system in South Australia (SA). They should be taken from below Lock 1.

Council does not support allowing sea water into Lake Alexandrina. Studies undertaken
on behalf of the SA Government have shown that before locks were installed under
natural flow regimes the intrusion of salt water into Lake Alexandrina was rare. Strong
outflows of freshwater were the norm. If seawater was allowed into the lakes, hyper
saline conditions would prevail creating significant irreversible impacts for the local
environment and communities.

#### The Need for a Fair Adjustment to Water Diversions

- Council supports reductions in water extractions for regions that have done little in improving their water use efficiency.
- Having said that, we accept that <u>all</u> water users must contribute to the reduction in water extraction, particularly in dry times. This includes irrigators and also, importantly, users of town water supplies.

The residents of Alexandrina have demonstrated their commitment as urban users by reducing domestic water consumption by 24% between 2001/2002 and 2008/2009. Upstream communities can set and achieve their own reduction targets with the support of State and Local Government.

- Clearly all potential savings should be calculated on a catchment by catchment basis.
- The issue of the varying degree to which irrigators will be able to off-set proposed cuts in allocations / entitlements through improvements in 'on-farm' and delivery system efficiency has not been taken into account.

This is of particular significance to South Australian irrigators as the extensive improvements in irrigation infrastructure undertaken in this State makes it very difficult to make further savings. In those areas where these improvements have not been made, those irrigators will be more able to adjust to reduced allocations than South Australian irrigators.

- The Angas-Bremer community has already been dealt a severe cut in their groundwater allocations where their allocation was 27GL until in 1995 it was reduced to 6.4GL. In fact this community should be a model for many other Basin communities as they were quick to adopt stringent watering regimes that maximised efficiencies. It is totally unreasonable to force further reductions on this community.
- SA has operated under its CAP since 1968. Since then the amount of water extracted from the Basin has increased from 7,500 GL/year to 12,500 GL/ year. SA has played its part already in keeping its extractions within the CAP.
- The Guide states a current diversion limit for SA at 665 GL, but the CAP for SA is 719 GL (adjusted for trade). Therefore SA is losing 54 GL compared to what it should be for a true Current Diversion Limit (CDL). SA is expected to make a saving of 26-35% on the reduced CDL of 665, but in reality these savings will be 32-40% of the current CAP. Other States have their CDL set at about the level of their existing CAP. This is unfair.
- The Water Allocation Plan for the Eastern Mt Lofty Ranges was recently approved. The plan acknowledges that it is a healthy catchment system with 93% of its flows benefitting the environment. The question must therefore be asked: Why should it therefore be asked to bear a cut of 26-35%? again, this is unfair.
- There is inadequate recognition of the huge downturn already experienced by South Australian industries whether it be, dairying, tourist, boating or local provisioning businesses.

Many family owned and run dairying businesses along the lower River Murray and around the Lakes have closed over the past 8 years as a result of the low flows and increasing salinity.

Houseboat fleet operators and single owners dependent on holidaying patrons have suffered reduced income against increasing fixed costs as have the hirers of shacks. Tourist parks along the river have also already struggled enough.

Council maintains a strong view that the Authority must give dispensation to the excellent work in improving water use efficiency already undertaken by our South Australian irrigators.

- Council asks that the Authority plan for further infrastructure improvement programs to maximise water use efficiencies with significant funding to be allocated by the Federal Government and State Governments.
- Many irrigators have already undertaken infrastructure improvement actions at their own expense. Council believes it would be unfair for irrigators which have never bothered to undertake irrigation infrastructure improvement programs to have such works paid for by the tax payer when others have covered the expense themselves.

To ensure equity, and so as not to penalise good business planning, Council recommends that a fund be established to provide financial assistance to irrigators who have already made infrastructure changes at their own expense so they can adjust their businesses to new water allocation levels.

- Irrigation water should be measured from the point of access from the river not from the farm gate.
- Any water savings made from infrastructure programs should contribute to water extraction reduction targets and therefore reduce the extraction reduction demands on current water users. Water savings gained from infrastructure improvement programs should not be made available for additional irrigation.
- It is also vital that the Authority consider the productivity related to proposed cuts within regions. The timing of water extraction cuts should be aligned with infrastructure improvement programs.
- All water savings from infrastructure improvements in other states should be shared across <u>all</u> states. There is no established policy on the buy back of water by the Federal Government. Any savings made from infrastructure upgrades need to be shared proportionately across the states.
- States which do not start adhering to the Authority's control should not be given the same transition periods as other states that joined earlier.
- Council supports a staged approach to water extraction reductions. The impact on communities and businesses would be lessened if they have adequate forward knowledge of local reduction targets and have time to plan business restructuring.
- Council encourages the Authority and State and Federal Governments to investigate alternative land uses for regions that may be impacted by water extraction cuts.

 Council encourages the Authority to also consider the impact of projected climate change impacts on areas affected by water extraction cuts.

Council is currently a partner in the *Strengthening Basin Communities* program. One component of this program is to examine the impact of projected climate change scenarios on primary production industries and communities. This project will also examine alternative land uses if projected climate change impacts are realised.

• Another component of the *Strengthening Basin Communities* program is integrated water planning for Alexandrina communities.

In this process Council is investigating how to best use water in its community, how waste water and stormwater can be used and treated in the most efficient way, and how harvested wastewater including stormwater can be used instead of mains water. If this type of planning was conducted across the Murray-Darling Basin significant water savings could be achieved, further reducing the level of reductions required by irrigators and other water users.

#### Environmental Flows and Sustainable Management of the System

- Throughout the document the link between the need for environmental flows and the sustainable management of the river to support the existing commercial activities is very weak. For example the statement that "unless action is taken now, the Basin and its communities do not have a long-term future and consequently face irreversible decline in the environmental health and, in turn, the economic strength of the Basin "needs to be emphasised much more strongly by addressing how the minimum outflow of say 7,000 GL's, or 5,000 GL's will sustain existing businesses.
- Long term averages should never be used to describe the water requirements of an
  ecological site. The Guide refers to flow regimes but there is no explicit link between flow
  regimes and long-term averages actually described on their own.
- The use of a single flow volume to describe the environmental water requirements is inappropriate. On their own, long-term averages do not reflect water regimes (timing, frequency, duration) and are not useful. This issue is of particular concern to the Lower Lakes, Coorong and Murray Mouth where a much more explicit definition of the flow regime that will be delivered is essential. It will be essential to understand issues such as minimum flows (or 90 percentile flows) and the maximum period between specified medium and high flow events
- The use of only a long term average without the appropriate qualifiers for an end of system flow must be questioned especially without sufficient supporting information. This should include percentile flows and how the historical security of flow compares to the proposed long term improvement.
  - At the very least, the Guide must outline how these translate into flow regimes (specifically during periods of water scarcity or low flow periods)
- The Authority must also put to rest once and for all any consideration of allowing sea water into Lake Alexandrina by emphasising the need for strong and sustainable freshwater flows into the Coorong and out through the Murray Mouth.

# Consideration of the Long Term Social and Economic Impacts should the plan fail to deliver.

It is important that the Federal Government together with State Governments implement an economic and social impact assessment to complement the Basin Plan by considering:

- 1. the loss of businesses already experienced by communities given the drought and over allocation and
- 2. the longer term impacts on the economies and social makeup of communities if there is a failure by the Authority and governments to deliver sustainable environmental flows.

In doing so it must be remembered that this is not only about irrigators.

Industries not directly reliant on irrigation such as the tourism industry, fishing and associated industries (such as cockle harvesters) are also substantial contributors to our Basin economy.

According to the Boating Industry Association of South Australia Inc, around \$1.3Billion
per annum is delivered to the South Australian economy by our State's boaties and our
visitors who seek a "water-view and/or to engage in on-water activities on their "free
days"/"taking their weekend" and/or for "annual holiday/s trips".

Their own research, largely funded by the Federal DOTARS organisation, confirms that up to 50% of the \$1.3Billion "tourism and leisure" benefit is delivered to communities along the River, Lakes and Coorong "below Blanchetown/Lock 1".

Currently, in the stretch of River Murray Waters below Blanchetown through to the Murray Mouth:

- forward houseboat and charter bookings have never been worse,
  - o the fleet is presently operating at around less than 50% of normal capacity. This has delivered a negative impact to rural communities of around \$15Million annually,
  - o the use of the (privately) owned houseboat and cruising fleets is also way down, by at least 50% and this has delivered a negative impact to the rural communities of around \$25Million annually,
  - o holidays and leisure visitation has seriously declined on the Murray, in the Lakes and in the Coorong as people have anticipated "no water at all or unsafe conditions due to navigation hazards and bank slumping and the like within the River and Lakes and Coorong" and
  - o with these conditions, and with perceptions of "nowhere to go" boats have been relocated from inland waters of the Lakes and Lower Murray to "more reliable" marinas upstream and to coastal moorings,
  - o more than 1000 large (non-trailerable, cruising craft) which offer overnight accommodation and/or galley services have gone from Lakes Albert and Alexandrina and
  - o the economic loss, to rural communities, incorporating aspects of boat servicing/fuelling/ provisioning is estimated to be in the order of \$5Million annually,

o the economic loss delivered by the loss of revenues on revenues/rentals of moorings/berthing in marinas and at informal moorings is estimated to be in the order of \$2Million annually.

Any study on the social and economic impacts of reducing water allocations must examine both the short term and the long term impacts.

The short term impact of reduced water allocations would obviously show reduced production and the associated economic and social impacts on Basin communities. However a long term social and economic impact assessment may show that the economic and social cost of not cutting diversion limits now may have much larger negative social and economic impacts in the future.

If the Authority has used science to set a reduction in sustainable diversion limits then not meeting it will see the slow decline of the Basin system, which will have much larger negative implications for the longer term.

This will impact on all of us including those who are currently opposing allocation reductions.

Council believes the Murray-Darling Basin Authority and communities would benefit by having an Authority office and permanent presence in Goolwa near the Murray Mouth. The Board and staff would see the direct effects of inaction upstream.

Alexandrina Council appreciates the opportunity to provide comment on the Guide to the Basin Plan. Council also looks forward to further consultation and engagement by the Murray-Darling Basin Authority on this very important national issue particularly in also assessing the socioeconomic impacts.

Council is available to answer questions about this submission or on any issue relating to the Basin Plan. Please contact the Chief Executive on 08 8555 7000 or alex@alexandrina.sa.gov.au

Kind regards

John Coombe Chief Executive