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STANDING COMMITTEE ON REGIONAL AUSTRALIA

Inquiry into the impact of the Murray Darling Basin Plan on Regional Australia

Submission to sitting in Deniliquin on January 24 2011

MATTERS OF SOCIAL AND ECONOMIC IMPACT FOR CONSIDERATION

- A 4,000 GL SDL equates to a 36% reduction in allocation, resulting in our business operation rendered unviable, in spite of significant concessions and rationalisation.
- A 3,000 GL SDL would reduce our business to break even status, requiring significant concessions and rationalisation.
- There is evidence of a significant erosion of confidence in food producers in our footprint, to the extent that major customers are already considering sourcing future food product outside the Murray Darling Basin and indeed Australia.
- There is anecdotal evidence that two major retailers of FMCGs are already contemplating sourcing popular brands from overseas.
- NSW Water Minister Phillip Costa, at a meeting of the NSW Irrigators Council in Sydney on 10 November 2010, stated that during his recent listening tour, while in Griffith NSW, he was advised that investors in major capital projects were reconsidering, uncertain of the future availability of water to sustain local agribusiness. He went on to say that all wealth in New South Wales is derived from water, whether it be agriculture, mining, manufacturing or tourism.
- Environmental flows can be delivered and properly managed by irrigation districts working together with the MDBA, by diverting environmental flows through wetlands in the footprint and ultimately into the lower Murray.
- Residents within our footprint are astonished at the lack of transparency by the MDBA and the failure to properly engage the community while developing the plan.

ECONOMIC PROFILE

Population: The total population of the shires of Berrigan, Corowa, Jerilderie and Urana is 23,000

The population of the WCPID is 12,110 with 76% of farmers 35 years or older.

Employment: The workforce across the WCPID is deployed across the following occupations.

Agriculture Forestry and Mining	28%
Manufacturing	15%
Construction	4%
Services	13%
Trades	12%
Hospitality and Tourism	7%
Public Sector	4%
Education	5%
Health and Community Services	6%

Education Facilities:

Primary Schools 11, Secondary Schools 5, Tertiary Facilities - TAFE 2

Transport:

3676 kilometres of sealed and unsealed roads across the WCPID.

A rail freight service operates on a seasonal demand from Mulwala to Oaklands

V Line Passenger Bus services operate out of Berrigan and Corowa.

Agriculture:

The total footprint of the WCPID is 212,000 hectares of which 21,200 hectares are irrigated.

337 farming enterprises are operated by 218 members with a diversity of agribusiness including sheep – wool and fat lambs, cattle – dairy and beef, cropping – cereals fodder oilseeds rice and vegetables.

Historically, Cropping accounts for 26% of land farmed in the WCPID, while Pasture accounts for 40% of farm land use within the footprint.

SOCIAL PROFILE

In the event the MDBA Plan proceeds as presented the consequences are devastating.

Employment will diminish across the footprint with a significant downturn in agribusiness as a direct consequence of Reductions in Allocations of Water to Townships and Farms.

The Asset Value of farms and indeed businesses and houses within our footprint will plummet as a consequence of less water and in some cases no water.

Worse still, future generations will be forced to live and work elsewhere, unable to sustain a lifestyle in their homeland.

With no significant industries to provide alternate employment and no facilities available locally to provide training in alternate occupational skills, population drift will be severe and permanent.

The cumulative effect is Australians relying on imported food to sustain the population while suffering irreversible decline as a food producer.

Residents of the footprint are dismayed that their right to grow our food staples in abundant supply will be forcibly removed from them forever.

Rather than drive Basin residents out of their homeland, the Federal and State Governments should be exploring and developing strategies to attract investment and secure the long term sustainability of regional Australia, of which the Murray darling basin is a significant portion.

Mike Duncan

19 January 2011