



15th December, 2010

To Whom It May Concern

RE: Submission regarding Guide to Murray Darling Basin Plan

I write on behalf of A&L Jarvis, a dairy farming partnership, based at Kergunyah in the Kiewa Valley. Our business is reliant on drawing 318 ML of irrigation water per annum from the Kiewa river; one of the rivers draining into the Murray Darling Basin and therefore affected by the proposed Murray Darling Basin Plan S.D.L's.

After attending the information session in Albury, presented by the Murray Darling Basin Authority, and reading the guide, I write to highlight key issues that our business has identified with the plan in its current form:

- The Kiewa system, along with the Ovens, has been earmarked within the Guide for a 40-45% cut (under the 3000 GL/yr scenario) which is **effectively a cut of over 70% of irrigation water available to farmers**, as the remaining water allocation is allocated to town and stock use (protected from cuts).
- This reduction in allocation, if implemented, will be prohibitive to our business, as we use our allocation during the summer months to maintain a spring calved herd of 300 dairy cows. We employ our nephew as a sharefarmer. He in turn employs a farm worker who has almost completed a dairy-farm apprenticeship. Both would be made redundant if we lost a large part of our entitlement, as the farm's current productivity and future potential productive capacity would be greatly reduced, making a highly productive farm unviable. This sort of cut will also affect all the neighbouring private diversion dairyfarmers, resulting in major reductions in milk supply through-out the Kiewa Valley. It would also lead to potential loss of many dairy farms and their associated socio and economic contribution to NE Victoria, to say nothing of the effect it would have on the Murray Goulburn milk manufacturing factory at Tangambalanga and its employees.
- Although the guide acknowledges the high inflows from the Kiewa and Ovens systems into the Murray – contributing over 98% of all flows - it does not address the massive socio-economic impact of the proposed SDL - **70% of the current irrigation water allocation**. This figure was acknowledged by the MDBA team in its presentation in Albury as an "anomaly" due to the calculations currently being based on **all catchments contributing equally** to proposed SDL's. This approach is clearly unfair to NE Victorian farmers and needs to be reviewed in order for the farmers of the Kiewa and Ovens to contribute a fair share, rather than the currently proposed disproportionately high contribution.
- A recent report, commissioned by the Alpine Valleys Agribusiness Forum, to assess the future growth of dairying as an alternative industry to replace "Tobacco" in the NE Mountain Valleys, proposes a great opportunity because of the benefits of positioning in high natural rainfall areas. Summer irrigation extends the season, but begins much later than reticulated areas and ends much earlier (eg. Oct. to March). **Perhaps it is time to review where it is most efficient to use irrigation water – closer to its source?** i.e. the NE Victorian Alpine valleys?
- There is no recognition or compensation for the self-funded irrigation infrastructure developed by NE farmers. Our farm began a pipeline from the Kiewa River and built its first dam in 1970, followed by a second dam in 1972. We have also developed and self-funded contour flood channels, then check banks and terraced bays, bike-shift sprays and recently a centre pivot system. These have all been self funded to raise efficiency of water usage, in line with industry

research, unlike irrigation channels and assets such as those developed by the government in Shepparton and Irymple, many of which sustain significant losses to evaporation and deterioration of infrastructure due to age. Add to this the No Farm Dams policy and upstream farm irrigators have continually been put at a disadvantage, which the Guide to the MDBA plan seems to promulgate.

- The science behind calculations of interception appears to be questionable: ie.
 - It appears that interception by farm dams may have been doubly counted – it is not clear that dairy effluent ponds and reticulated irrigation systems have been deducted from interception analysis
 - Different factors have been used to calculate plantation interception between the Kiewa and Ovens systems
 - Hydro dams are counted in the interception figures, however no cuts are attributed to these because they are considered "protected" for consumptive use – increasing the impact on NE valley farmers
- The only environmental information identified in the Guide was a study done in 2006 after the Tawonga Gap fires. The following investigations should also be reviewed and incorporated into the data used to determine the plan's directions:
 - 2002 Kiewa River Stream Flow Management Plan
 - 2005 DSE index of stream conditions
 - 2006 NE Regional River Health Strategy
 - 2007 Environmental Flows Determination of the Kiewa (NECMA)
 - 2007 Catchment Conditions Report (Victorian Catchment Management Council)
- Some key questions that are not answered in any of the documentation about the outcome of the plan, which need to be, are:
 - How is the environmental water going to be used?
 - What are the rules for usage? And how will these be monitored and evaluated?
 - Is the environment going to pay its share of the costs?

With continuing reviews of water rules and allocations being undertaken by state governments (many without MDBA engagement) it is unclear as to whether this will be the "last" cut or just the beginning of more reductions in water allocation. This is resulting in major uncertainty for both farmers and their industries.

In summary I propose that science has been used to back a pre-determined "average" outcome. Instead I think that as a result of the input from the public sessions and formal submissions the science needs to be reviewed through a broader lens, with different questions, which should provide a fairer and more appropriate outcome for all users of the waters of the MDB.

Yours sincerely

Tracey Jarvis-Ball

On behalf of Lindsay and Ann Jarvis (A&L Jarvis)