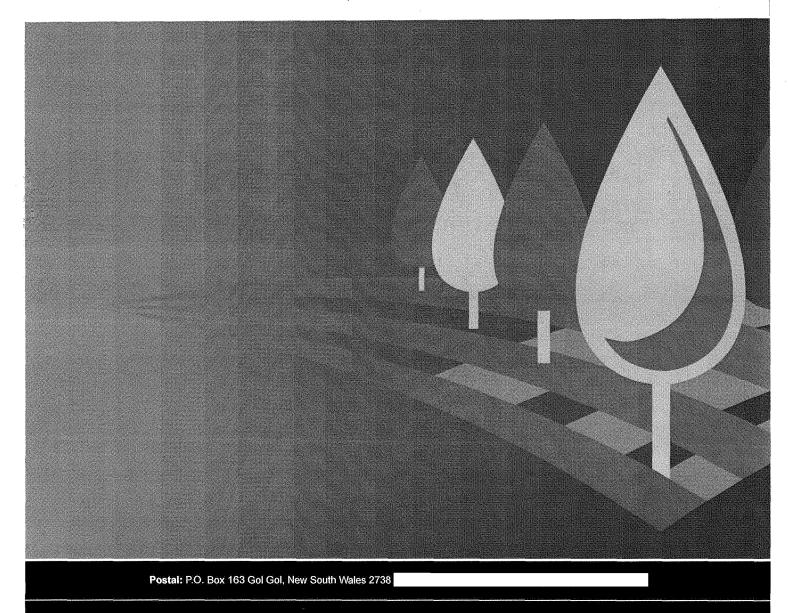
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MILDURA'S FUTURE WATER GROUP WATER FOR LIFE, TO GROW FOOD FOR THOUGHT

House of Representatives Standing Committee on Regional Australia

# Inquiry into the impact of the Murray-Darling Basin Plan in Regional Australia

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### Background

A new community based body derived from the Mildura, Victoria, region - Mildura's Future Water Group (MFWG) - was formed in October 2010 as a direct result of the release of the Murray Darling Basin Authority (MDBA) Basin Plan Guide.

The name "Mildura" is more easily recognisable outside the Sunraysia District, especially by those living in metropolitan areas, and the group represents the entire Sunraysia region.

A healthy Murray Darling Basin is paramount for communities within it to flourish and prosper, however the focus of a Murray Darling Basin Plan must value economic, social and environmental intentions equally.

MFWG believes the Plan threatens to undermine the foundation of the entire Murray Darling Basin community and regional centres like Mildura, and is heavily biased towards the environment.

The Basin Plan Guide details reductions of irrigation allocations of up to 37% and would impact very severely on the Mildura regional economy, which is heavily reliant on the continuing prosperity of irrigation based industries in the Mildura Rural City Council area and Wentworth Shire.

Irrigation drives the Mildura region's economic prosperity – in Wentworth's (NSW) district alone, 80% of the gross value income comes from irrigated agricultural land. It is this agricultural sector that has allowed this area, and those like it, to continue to flourish.

#### Introduction

The Australian climate has always incurred both droughts and floods as a natural occurrence, and with it variable river flows. The Australian environment is resilient and has adapted to these conditions, as have Australian farmers. As evidence of this, we are presently experiencing rainfalls that are filling near-dry catchments, post one of the worst droughts on record.

There is a misconception to a large sector of the community regarding overuse of water by irrigators – this is not the case, it needs to be conveyed that the environment currently receives the majority of water in the system, and Murray Darling Basin irrigators are only able to access water as it becomes available to them.

Real solutions are needed to provide confidence in the future of irrigated agriculture and investment into the regions. This process cannot be done effectively within the timeframe allocated. Adequate time and resources must be taken to ensure all scientific data is comprehensive and plausible, and that community consultation with the both the stakeholders and state governments is undertaken in an all-inclusive and transparent manner.

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#### **Impacts & Recommendations**

 The Social and Economic impact on the Sunraysia Community is of utmost concern and importance. (Mental Health, Relationships, Job Security, Profitability and Investment). Keeping Rural & Regional Communities sustainable and viable must be preserved in order to prevent the further over population of already struggling metropolitan cities. Rates of suicide in rural and remote Australia have long been higher than those in metropolitan areas. The MDBA's guidelines will certainly result in adverse mental health, including suicides.

The social stigmas resulting from what is considered to be 'doing it tough' in rural communities contribute directly to this – country people are self reliant and independent, and as such less likely to seek help for fear this be deemed failure. This resistance will affect relationships, cause family breakdowns, and inevitably lead to depression and despair.

Financial hardships permeate beyond the family structure, and become a regional issue. In small towns especially, where agriculture is a chief industry, all businesses experience a slump in confidence and vital resources such as health care, education, employment and financial institutions suffer.

Sunraysia is a case study in itself with regards to low water allocations and ongoing drought over the past four years. Many perennial plantings as a result perished and irrigated land was left to die.

Since 2006 low inflows into the basin catchments have had a direct impact on water allocations over the past few years, reading as low as 35 per cent in the 2008 season. We have witnessed a high level of irrigated land converted to non-irrigated land in the pumped districts as a result of these low water allocations. In the past four years alone, non irrigated land in Red Cliffs has risen from 7 per cent to 31 per cent; Mildura 10 per cent to 34 per cent, and Merbein 10 per cent to 43 per cent.

Given the area is already operating from a low socio-economic base and is coming out of a long period of drought; these impacts would be exaggerated by permanent reductions in water availability.

2. With predicted world food shortages to rise around 50 to 70 per cent over the next 40 years, the challenge is to increase food production via raising agricultural productivity efficiently. The need to give priority attention to food production whilst maintaining the quality of the resource base from which it is produced is of equal importance. The proposed policy of Sustainable Diversion Limits (SDL's) of 26-37% for this region would be devastating. Australia is a trading nation for agriculture, and trade also helps confer food security. Imported foods and produce are costly for consumers to purchase and pose many safety and nutritional risks for Australians families. Australians demand that their food supply is secure and grown and produced by Australians, in Australia. The Basin Plan would destroy the viability of Australia's principal food bowl.

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3. Full funding to complete all stages of the Sunraysia Modernisation Project will provide the necessary infrastructure to steer efficient irrigation management, as well as enable new investment opportunities. This would also help alleviate the socioeconomic impact of the proposed Sustainable Diversion Limits (SDL's).

The Sunraysia Modernisation Project is an infrastructure proposal coordinated by the local Victorian water authority, Lower Murray Water, to upgrade the existing delivery channel system. Stage one is currently under due diligence and would see \$103 million to assist with modernised delivery options. Whilst water savings would only be around 15 GL's for both Stage One and Stage Two, this project would encourage the opportunity for water availability 365 days per year, allowing crop diversification with the potential of millions of dollars in new or re-investment. It will give family farmers the opportunity to diversify into other crops; such as citrus, fruit trees, nuts and vegetables - all of which are able to be grown in this area. However, all of these crops require access to water all year round to ensure any real success.

The outcomes from such an investment are enormous for creating wealth back into our community, as well as the formation of new industries and jobs, population growth, and renewed regional confidence.

4. The Basin Plan does not acknowledge existing irrigation efficiencies and improvements which currently exist in regions such as Mildura / Wentworth.

Our region has been at the forefront of technologically advanced efficiencies that have been adopted by irrigators. Leading the way with such adjustments, and ensuring that the natural resources in the region are managed in an integrated and ecologically sustainable way, should be recognised as contributing to a healthy river system.

Millions of dollars has been spent on irrigation infrastructure in the region at the irrigator's own cost. Over 90% of irrigation in the district has been converted from the initial flood irrigation to drip and low level sprinkler systems, eliminating water waste and increasing overall efficiencies.

Evidence of environmental care, specifically taking heed with water usage and salinity levels; have been taken by key organisations in the Mildura region including the Mallee Catchment Authority, the proposed Sunraysia Modernisation Program and Western Murray Irrigation's pipeline.

Focus must be given to communities such as ours that have created wealth from water in the past, to allow them to maintain the ability to do so in the future.

5. As the Federal Government has previously purchased close to 800 GL of water via taxpayers funds, time should be allowed to then assess environmental objectives and outcomes. The engineering solutions for delivery of water to environmental assets should be detailed and assessed using business case methodology currently being applied to other water efficiency infrastructure works.

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6. The Government should participate, as irrigators do, in the temporary water market. Even at the highest point of the drought, the Government did not enter the temporary water market, which would have provided much needed relief to the environment. Water was available to purchase at this time. There has been no Government investigation into buying temporary water as an alternative to permanent buy-back. Surely a more cost efficient option compared to spending millions of dollars on buy-back, not to mention the permanent effects on the community? Environmental demands will change from year to year, so in most cases water will not need to be purchased.

#### End of submission