

Submission Number: 495  
Date Received: 31/12/2010

Sc



**HOLM TRADING**

MALCOLM HOLM & JENNY WHEELER

ABN 67 393 184 532

“Pyngama”  
RMB 3090  
Lower Finley Rd  
Finley NSW 2713  
P 03 58834336  
F 03 58834337

**QUALITY MILK IN A HEALTHY ENVIRONMENT**

Mr Tony Windsor MP  
Chairman of the Standing Committee on Regional Australia  
Inquiry into the Impact of the Murray- Darling Basin Plan  
Parliament House  
Canberra  
31/12/10

Dear Mr Windsor

Our family dairy farm operates in the small community of the Blighty/Finley region of southern NSW. Our business is highly dependent on irrigation water as a long term feed base for our 600 milking cow herd. We have spent hundreds of thousands of dollars in water efficiency projects to achieve more dry matter per mega litre of water.

**We are disappointed with the current ‘Guide to the basin plan’ as it only seems to focus on more water flowing down the river for the environment and does not take a ‘whole of basin approach’.**

In attending the Deniliquin MDBA meeting it became very clear that this was all about a ‘social experiment’ of creating larger river flows without a plan on how this water would be used for the environment. Any water savings for environmental watering sites would come off the water reductions we were told. This is a back to front approach given that **there should be a comprehensive plan of environmental sites to be looked after with management plans requiring the least amount of water for best outcomes.** The issue is that there needs to be a balance between the environment and water users (other than environment).

**The “Living Murray” process did at least recognise that the system is a working river and that balances need to be achieved.** There was talk by some people of 3000GL needed to restore the river to health when reference points of 350, 750 and 1500GL were originally set. These same people (and MDBA) now talk about 7000GL being needed to have a healthy system. The goal posts keep moving without the rigor around it being justified. There has been little or no new science since the Living Murray process began to justify such a large leap of water required.

**Since the early 1990s there has been a lot of water reform undertaken.** With the MDBC Cap and in the early 2000s the water sharing plans, hundreds of thousands of mega litres of water have gone back to the environment. Much of this water has not been available due to drought. These reforms by and large have not been tested in a wetter or more normal time to see the positive (and perhaps negative) effects on the environment.

**There is a disconnect between the commonwealth spending program and the basin plan.** The Commonwealth spending program is focussed on value for money today and not on longer term strategic strategies which have better environmental outcomes, healthy regional communities and a

robust agriculture sector. Likewise the MDBA basin plan ignores these three issues and focuses on just one aspect that of the environment, the water flows, and leaves much of the other environmental issues to the side.

Having participating in commonwealth programs from a number of different perspectives, it seems they all follow similar themes which achieves poor outcomes. In general they are micro managed and bind participants up in red tape. They do not keep to their time lines which creates uncertainty. An example of this is the current water efficiency program of which DEWHA indicated a July/Aug sign off yet the contracts only turned up in mid December. This type of incompetence places uncertainty on our business in organising suppliers and contractors and we will now need to delay some of our project by twelve months. This is one of many examples Malcolm can site. **If the commonwealth was willing to work with communities it could achieve much better regional outcomes at less cost.**

It is disconcerting that much of this current reform is based upon the darkest days of the drought in the 2006-2008 periods. "Critical human needs" is an important piece of work to ensure that regional communities did not run out of water. **The water reform process has been under way since the COAG reforms of the early nineties.** There have been massive changes and a lot of water has gone back to the river system for environmental outcomes. These changes have seen little or no recognition by the MDBA or commonwealth government.

**The Australian environment is a robust system and ever changing.** As a family who works in it every day, we are continually amazed how it (and ourselves) adapt.

**Australia needs to step back from this piece of MDBA work and take a deep breath.** We need to work out if we do want regional (non-coastal) communities and a food production base which under pins the Australian food production and helps to feed the world. As food producers who love the challenge we get the sense that our farming business is no longer required. We employ 8 people and collectively send six children to the Finley schools as well as and buy local services and goods.

**We see that existing commonwealth water programs need to be better targeted so that they work with regional communities to achieve water saving for both the environment and agriculture.** This can be done through irrigation companies, CMAs and local organisational partnerships. The environmental watering plans need to be worked alongside this piece of work and not in isolation.

**The water act needs to be changed so that it reflects a plan for the whole basin. A healthy river system, with robust regional communities, and a productive and efficient irrigation sector. We see the current MDBA plan just a continuation of a natural drought which will now be a continuing government drought on communities and farmers.**

We would welcome making a presentation at the enquiry you are chairing and would hope that as you visit the regions the committee takes the opportunity to take a good look around.

Yours Sincerely

Jennifer Wheeler and Malcolm Holm