



Committee Secretary

Senate Standing Committees on Rural and
Regional Affairs and Transport

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Dear Secretary,

RE: Submission regarding the Water Amendment Bill 2018

Thank you for the opportunity to make a submission to the Senate Standing Committee regarding the Water Amendment Bill 2018.

We own and run three properties totalling 500,000 acres on the Lower Darling, approximately 50 km south of the Menindee Lakes. Tolarno Station sits on the Darling River, and all three properties depend on the Darling for livestock and domestic purposes. The properties have a rich history spanning 160 years, and today run merino sheep, cattle and rangeland goats.

In 2015-2016, the Lower Darling was dry for a period of 8 months. In white history, it has only been in the last 10 years that on 3 occasions there has not been a permanent water supply. The situation in 2015-2016 was worse than any experienced during the 2000s drought. During this period, there were significant and long-lasting social and economic impacts to the community. Our our properties alone, we experienced significant loss of land, stock and production, and additional management costs totalling approximately \$2 mill. 200,000 acres of land was lost to production due to loss of property borders (the river is a natural boundary between properties) and no potable water for stock. The catchment had received average rainfalls over the preceding 12 months, and in our opinion the event was a result of over-diversion upstream of Menindee Lakes in the Northern Basin.

We hope that the environmental, social and economic disaster which occurred will be avoided in the future. The community seeks appropriate, sustainable long-term management of the Lower Darling, and recognise that the Murray Darling Basin Plan (MDBP) is a cornerstone in achieving this.

The 2015-2016 event did demonstrate the importance of sharing water ***between all users in a sustainable way***, not at the significant detriment to one or more communities. To this extent, the Plan has failed the Lower Darling communities to date.

The Lower Darling catchment has minimal runoff and is entirely dependent on the Northern Basin. The Lower Darling catchment is fed directly by the Barwon-Darling catchment, of

which 99% of flows are generated in upstream catchments (MDBA). The Lower Darling is the only connection between the Northern Basin and the Southern Basin. We recognise that the Lower Darling sits within the Southern Basin.

Current environment of reforms surrounding the Murray-Darling Basin

Prior to discussion regarding our direct concerns with the Water Amendment Bill, we note the current environment of water reform in this country.

There has been a significant shift in the focus of national water laws and policies over the last decade from reinstating an environmentally sustainable level of take in accordance with the requirements of the Water Act 2007, to a focus on meeting short-term socioeconomic outcomes within specific areas of the Murray-Darling Basin. This change is most recently evidenced by the amendment to the MDBP with the adjustment mechanism to reduce actual water recovered, which in itself potentially breaches the Water Act 2007. There are numerous other laws and policies which have been used to reduce the volume of water recovered under the MDBP. It is within this frame that our concerns regarding the Water Amendment Bill 2018 are made.

Since allegations of water theft, and government mismanagement and misconduct which were raised in July 2017, there has been a significant loss of public trust in the MDBP and those responsible for its implementation. This has extended across the NSW Government, Queensland Government, Murray Darling Basin Authority and the Federal Government, including actions by the former Minister for Agriculture and Water Resources. The following comment was made by a Senator regarding the original Northern Basin Amendment: "I have to say my judgement has been clouded by the lack of disclosure in some instances, the wilful misrepresentation of particular points of view by those with vested interests. ... I will not stand for the hypocrisy in this place. ... Every time you turn around, you get this stench of crookedness and corruption, and unfortunately it all comes from a very similar space."¹

There are a number of inquiries which are underway, including the Rural and Regional Affairs and Transport References Committee's inquiry into the integrity of the water market in the Murray-Darling Basin, and the Murray-Darling Basin Royal Commission.

Concerns regarding the Water Amendment Bill 2018

Our understanding is that the Bill will allow the Northern Basin Amendment to the MDBP, which was disallowed in February 2017, to be re-tabled and reconsidered by Parliament without further community consultation which is legislated under the Water Act 2007, as outlined in the explanatory memorandum for the Bill. This Bill, as detailed in the explanatory memorandum, is in direct contradiction of the Federal Government's commitment in 2018 to increased transparency for the Murray-Darling Basin. The lack of further community consultation is of significant concern, given that the Instrument to be tabled varies from the consultation document released for public consultation in 2016. These changes are significant, in particular the provision for water recovered in one valley to count towards recovery requirements in another valley. It is our understanding that reallocating water

¹ Parliamentary Hansard, Senate. 14/02/2018. Available at:
https://www.aph.gov.au/Parliamentary_Business/Hansard/Hansard_Display?bid=chamber/hansards/5bb8ba07-678d-41a7-a360-7109e871eed/&sid=0000

savings is unlikely to reflect the environmentally sustainable level of take, and is unlikely to be based on best available scientific knowledge, as required by the Water Act 2007.

The Bill also provides for the Minister to direct the Murray Darling Basin Authority to make an amendment to the Basin Plan. The authorisation of the Minister significantly compromises the Authority, and is in contradiction to the Water Action which sets out the independence of the Authority. It is the role of the Authority, and not the Minister, to decide to prepare an amendment, as is its role as an independent statutory authority.

Our concerns regarding the Water Amendment Bill also relate to the unaddressed concerns regarding the original Northern Basin Instrument.

- There will be reduced environmental outcomes possible from the reduction in the water recovery target compared with the Basin Plan. The northern basin review states that: “The environmental outcomes possible from the reduction in the water recovery target will be slightly reduced compared with the Basin Plan.”² Given the current instability of sections of the Murray-Darling Basin, in particular the Lower Darling including the Menindee Lakes, it is unclear how a reduced recovery target knowing that this will result in reduced environmental outcomes can be proposed. This appears in opposition to the purpose of the MDBP to provide a sustainable Murray-Darling Basin in the long-term.
- There will be 10-15GL reduction in flows into the Menindee Lakes. The northern basin review states that: “It is estimated that compared to Basin Plan settings this will result in a 10-15 GL reduction to the average inflows to Menindee Lakes ...”.³ As individuals whose livelihood is dependent on the Lower Darling, we strongly oppose any reduction of flows, particularly given that the impact of the northern basin amendment has not been taken into consideration in the sustainable diversion limit adjustment mechanism project at Menindee Lakes.
It is noted that this is an average year, however there is no indication of impact in below-average years. There does not appear to have been any detailed analysis of the individual year or event based data that would provide confidence in this calculation or allow an assessment of the actual impacts on a year by year basis. It would be anticipated that during below-average years, reduction in flows into the Menindee Lakes would be significantly greater than 10-15GL. These below-average events are the very times when there should be a focus on the sustainability of the basin as one system. Since the introduction of the Plan, there has been poor management of flows into and out of Menindee Lakes, which has resulted in disasters such as those seen in 2015-2016.
- There is limited modelling of the impact that reduced recovery targets would have on the environmental outcomes across the Basin. There should not be a reduction in recovery targets without clear demonstration that equivalent environmental outcomes

² Murray Darling Basin Authority, 2016. The Northern Basin Review. Available at: <https://www.mdba.gov.au/sites/default/files/pubs/Northern-basin-review-report-FINAL.pdf>. Page 4.

³ Murray Darling Basin Authority, 2016. The Northern Basin Review. Available at: <https://www.mdba.gov.au/sites/default/files/pubs/Northern-basin-review-report-FINAL.pdf>. Page 31.

will be delivered across the Basin, recognising that the basin is one system. This requires an analysis of the source, volume and duration of flows on at least an annual basis under each of the water recovery scenarios and under high and low rainfall scenarios.

- Overall reduction in recovery targets for the four major contributors to the Barwon-Darling catchment. For the four catchments which contribute the greatest flows to the Barwon Darling, the Namoi, Condamine-Balonne, Border Rivers and Macquarie (Hydrologic Modelling for the Northern Basin Review, page 30), it is proposed that there be a reduction in recovery targets. Across the four catchments, the total reduction in recovery targets is 61GL. This equates for almost all of the 70GL reduction in recovery targets proposed. Given that these catchments contribute the greatest flows to the Barwon-Darling, it is illogical to reduce recovery targets for these catchments.
- Modelling has been undertaken using the assumption of traditional management of flows, which is now not current practice. The modelling conducted for the Northern Basin review is based on flows over the last 114 years. This requires the assumption that 'traditional' management of flows is applied. However, NSW and Queensland have altered management of flows. In recent years, flows have been managed on a case-by-case scenario. This has not recognised the potential of small flows to make an impact downstream when considered with other small flows. These changes have resulted in withdrawals of water during small flows at the detriment of down-stream users (for both environmental and social purposes). No modelling has been done which applies current management of flows.

We would be happy to expand further any of the above comments.

Kind regards,

Robert McBride

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