



River Lakes and Coorong Action Group Inc

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Winner 2009 Jill Hudson Environmental Award

Submission to Rural and Regional Affairs and Transport References Committee

The integrity of the water market in the Murray-Darling Basin

The River Lakes and Coorong Action Group Inc welcomes this opportunity to make a submission to this Inquiry.

About

The River Lakes and Coorong Action Group is an independent community-based organisation representing diverse stakeholders with a range of political views who live and derive their livelihood around the lower Murray River, Lake Alexandrina, Lake Albert and the Coorong. The River is the main stakeholder of this organisation and we are concerned for the health of the system as a whole in the interests of all Australians.

RLCAG incorporated in 2007 in the face of the effects of overallocation upstream and the threat of construction of a weir at Wellington on the River Murray, with the following aims:

- to protect, conserve and enhance the biodiversity of the River Murray, Lakes and Coorong
- to liaise with appropriate bodies over the management of the River Murray, Lake Alexandrina, Lake Albert and the Coorong; and
- to educate the community in River ecology

RLCAG has a ten-year track record of engaging with Murray Darling Basin matters through submissions, symposia, meetings and campaigns, including running a candidate in the 2009 federal elections, a major revegetation project and the 2008/2009 Freshwater Embassy at Clayton Bay. The organisation has made some twenty submission regarding government inquiries and actions on EPBC matters.

Position statement

The River Lakes and Coorong Action Group calls for:

- The Federal Government to provide the powers, and sufficient funding to support the exercise of those powers, to the Murray Darling Basin Authority to monitor and enforce water use according to entitlements throughout the Basin, as a matter of urgency. The Authority must stand as a strong independent transparent authority governed by a Board not captured by industry or government. This will require a change in the governance arrangements to ensure more balanced representation, including Indigenous representation and representation of the environment.
- Immediate uncoupling of the portfolios of Minister for Water and Minister for Agriculture because this creates an inherent conflict of interest for the incumbent.
- The present governance structure under S100 of the Constitution has been shown to be unworkable and to mitigate against water reform. We believe there is an urgent need for legislation to remove the challenges that the constitutional framework poses for the successful governance of Australia's inter-jurisdictional rivers.
- A full judicial inquiry into water use throughout the Basin. A full judicial inquiry is needed because only this will have the proper powers to compel production of information, protect witnesses, and prosecute.
- Implementation of the Murray Darling Basin Plan on time and in full.

Terms of reference

a. the allegations of theft and corruption in the management of water resources in the Murray-Darling Basin

As evidenced in the mainstream press and on social media, not just in this region but across the Basin a great majority of people are outraged at the allegations of theft of the illegal pumping of water and believe that this practice is widespread throughout the Basin, that the allegations on Four Corners represent 'the tip of the iceberg'. It is clear that people find the allegations of political and bureaucratic partisanship at the highest level of government and bureaucracy, even more disturbing. Water is now a commodity. The theft of billions of dollars of any other publicly-owned commodity would be greeted with outrage and prosecuted. Yet the Liberal National coalition government has not acknowledged the seriousness of the situation and appears to write it off as a widespread culture throughout the system. This is not OK.

The River Lakes and Coorong Action Group has been active in meeting with representative politicians from all parties and calling for the Australian government to make the necessary legislative and funding changes to implement the Plan as agreed. (Please see Position Statement on p 1.)

- #### **b. the investigation and public disclosure by authorities, including the New South Wales Government and the Murray-Darling Basin Authority, of reported breaches within the Murray-Darling Basin, including the Barwon-Darling Water Sharing Plan.**

We welcome the findings of the investigation into NSW water management and compliance led by Mr Ken Matthews AO and the call for a new regulatory body divorced from the NSW Department of Primary Industries and governed by a Board not subject to ministerial direction. However we believe that this does not go far enough. S100 of the Constitution must be repealed and the appropriate powers vested in an independent authority with jurisdiction over the Basin, as above. page | 3

Mr Matthew's findings on the existence and un-minuted activities of the secretive 'key stakeholder group' which included senior NSW DPI-Water staff and certain irrigator associations are extremely disturbing.

It is even more concerning that the Matthews Inquiry was generally regarded as an 'inside' inquiry instituted by the NSW Primary Industries Minister Niall Blair whose record was marred by reportedly trying to instigate retrospective legislation to grant extra water rights to a major political donor and cotton farmer who was also named in the Four Corners Report. While we do not question the integrity of the Mathews Inquiry, we wonder what a full judicial inquiry might find?

c. the actions of member states in responding to allegations of corruption and the potential undermining of the Murray-Darling Basin Plan

In the face of ongoing widespread reports of partisanship at the highest levels in Australian and eastern state governments and bureaucracies it is difficult not to arrive at the conclusion that there is a concerted political effort to defeat the intent of the Murray Darling Basin Plan. Power over Australia's most valuable water asset must be removed from the political framework.

d. the use of Commonwealth-owned environmental water for irrigation purposes, and the impact on Basin communities and the environment

Environmental water is somewhat of a misnomer. Environmental water is also the water that supports numerous small businesses other than irrigation and recreational water users.

The Murray Darling system remains in crisis

While South Australia receives only 7% of the water from the Murray Darling Basin system, the state capped water use in 1995 and has led other states in implementing irrigation efficiencies.

The region around the lower River Murray, Lake Alexandrina and Lake Albert is the 'canary in the mine' indicator for the health of the system as a whole.

Rivers die from the mouth up.

It was clear in this area from 2000 onwards that the Murray Darling system was suffering from the effects of overallocation upstream. There were no flows over the Barrages for 10 years leading up to the drought of 2006 - 2011. There are signs that the river system is recovering slowly, but this will take years and there is no resilience in the system. The evidence is there in

the slow recovery of species, the return of migratory birds in limited numbers, and biodiversity of the estuarine ecology. A simple fact is that dredging the Mouth of the Murray has not stopped, despite the provision in the Murray Darling Basin Plan for dredging being necessary only one year in ten.

People in this region who have already lived through the destruction of their livelihoods, ^{page | 4} impacts on mental health and the impact on internationally-recognised RAMSAR wetlands, are justifiably concerned at the apparent undermining of the Murray Darling Basin Plan because of an inherently conflicted political structure and by individuals. We fear that the next drought will be worse.

For people in this region, the Plan was already a compromise. The first scientific estimates showed that in excess of 7000 Gl of environmental water would be needed to restore the health of the system. Of the 3,200 GL prescribed in the Plan, some 2,047 Gl has been restored, it is not clear from where the remaining water will be allocated, and there is no assurance that the Plan will be implemented “on time and in full”. The state of the Darling River is of particular concern to this region. Flows from the Darling are critical for the health of the estuarine system including fish breeding events.

Members of our organisation were surprised to hear Senator Anne Ruston say, in a meeting on 28 August 2017 “I want to maximise the exploitation of the Murray Darling’s assets to within an inch of sustainability”. With respect, the assets are already at the tipping point of sustainability.

Allegations of water theft and corruption are extremely concerning. More concerning is the apparent unwillingness of the Liberal National Coalition to acknowledge this, and apparent attempts to re-frame the situation within a political context or write it off as an existing culture of water use.

We call on the Australian Government to make change. The Government must take immediate decisive action to put in place the appropriate structure to implement the Plan on time and in full.

e. the operation, expenditure and oversight of the Water for the Environment Special Account

We call for a full public disclosure of the operations and expenditure of the Water for the Environment Special Account, on an ongoing basis.

f. any other related matters.

There is still a disturbing lack of knowledge and level of misunderstanding about the river system and water use. Irrigators, farmers, graziers, fishers, accountants, lawyers, academics, tourism operators, small business owners, environmentalists - all are represented in the membership of RLCAG. All are united in rebutting the misunderstandings and allegations that have come from what we believe to be a small and unqualified group of lobbyists including that SA ‘wastes water’ and that the barrages at the mouth of the Murray ‘should be removed’. As

noted above, South Australia has led other states in making water efficiencies since 1995. Removing the barrages is no longer possible in a working river. It would necessitate the removal of every dam and weir upstream and would only result in the destruction of a fragile, recovering, estuarine environment which Australia is obliged to protect under international law.

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