

Mr Stuart Gilmore

25 August 2015

THE SENATE SELECT COMMITTEE  
ON THE MURRAY DARLING BASIN PLAN.

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Dear Senators,

Thank you for taking this submission in relation to the Murray Darling Basin Plan. The Gilmore family have been farming on our property, called "Hughendon" for 152 years. We run a beef cattle enterprise on what is a beautiful property at the confluence of the Rubicon River and the Goulburn River.

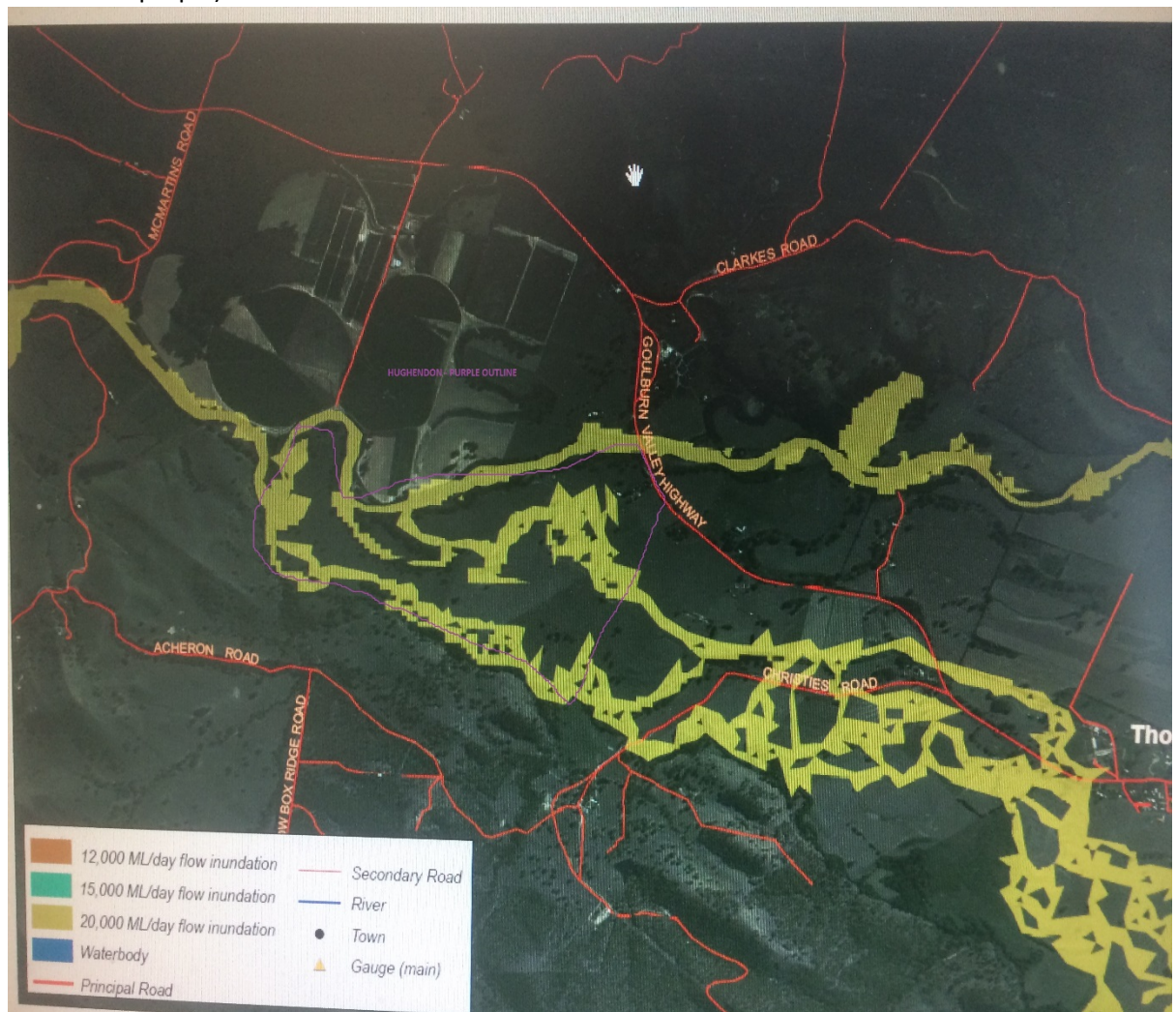
Please see the map below showing our property in November 2014:



Only very recently have I learned of the MDBA proposal to ease “constraints”, allowing flood releases from Lake Eildon. The MDBA is investigating three flow options from Eildon: 12000 ML/day, 15000 ML/day and 20000 ML/day. All three of these options will have impact (to varying extent) on our property. There are many areas of concern that I have with this proposal and I will now run through them.

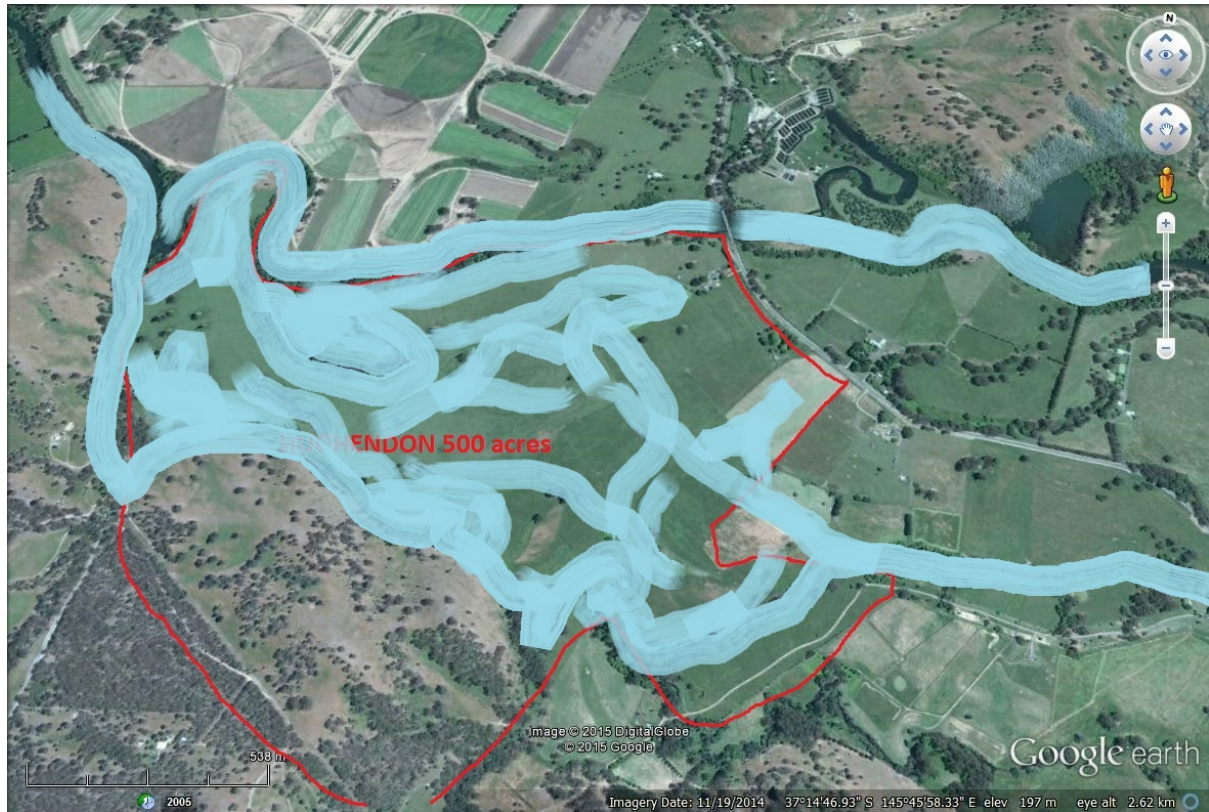
1. The whole premise of this proposal by the MDBA is ill founded. Flooding productive farming land and destroying businesses in the name of misguided environmental benefit is totally unjust. The social and economic impact of the MDBA proposal to flood our property is not being properly weighed, and is almost laughable if it weren't so serious.
2. The Goulburn River Reach Report (Constraints Management Strategy) – July 2015, has a flood overlay map on page 70. This map, if you access a magnifying glass, shows the flood footprint over our property. Further examination of higher resolution maps, provided by the MDBA, I believe, significantly understates the flood footprint, as no consideration is given to the backup of the Rubicon River caused by a full channel in the Goulburn. Quite simply, the strategy does not consider the impact of tributary backup on flood overlay, a point made by many landholders along the river.

Below is the map provided by the MDBA of the flood footprint at 20 000ML (Hughendon is outlined in purple):





Below is a map that I have developed of Hughendon, with the assumption of approximately 3000 ML/day flow coming down the Rubicon River and a 20 000 ML/day release out of Eildon. In September 2011, when the Rubicon flooded (about 9000 to 10000 ML/day), and the Goulburn flow was only 130ML/day, most of our farm was substantially inundated.



Excluding the couple of hundred acres of hill country, bottom left of the photo, at least 50% of the flats will be inundated.

3. The list of impacts on our operation as a beef enterprise is a long one. I won't go into great detail as they are obvious and speak for themselves:
  - Damage to pasture.
  - Damage to fences, with debris being hung up on wires.
  - Drowning of hay crops in late winter spring, at their most sensitive time.
  - Water logging of ground resulting in widespread pasture and soil damage caused by cattle hooves ("pugging").
  - Weed inundation, particularly tussocks.
  - Cost of supplementary feed.
  - Cost of agistment and moving cattle off farm.
  - Loss of access to cattle.
  - Shifting of irrigation and domestic pumps.
  - Erosion on the river banks and large trees falling.
  - Occupational health and safety issues on the farm, when moving in and around flood waters.

4. There are two further, significant impacts I would like to outline (that aren't really operational).

First, I would like to point out the likely destruction of the capital value of the farm. Given the list of impacts, shown in 3. (above), the economic viability of our operation must be brought into question. At the minimum we will see significant erosion of profitability. With declining profitability, capital value will inevitably fall. The marketability of a property with a whacking, great flood easement all over it becomes most problematic.

The second impact, is the psychological stress off this proposal hanging over our heads. Floods are very stressful events. Increasing the frequency of floods, increases the stress.

5. I really don't want to address the issue of easements and their cost as I am hoping sanity prevails and this proposal is reduced in scope to a point that no easements are required. However, I think the Senate Inquiry must be made aware of the significantly understated cost that the MDBA is placing on creating easements across private land. At a public meeting in Alexandra on the 21 August, 2015, Mr Geoff Earl (GBCMA) showed a slide with a cost for creating easements along the Goulburn of \$6 million. This cost estimate came from a document prepared by GHD titled *Murray Darling Basin Authority, Constraints Management Strategy Prefeasibility – Goulburn Estimate of the cost to establish Easements (5 Dec 2014).*

The document says: "In estimating agricultural land worth, GHD was guided by research on land values that were completed in in the 2004 easement costing project for grazing land along the Murray River." GHD arrive at a value of \$4 500 per ha. This does not inspire confidence, when land holders know exactly what Goulburn River flats are changing hands for. It really would have only required GHD to make a phone call to the local Elders Real Estate agent to get the true value of Goulburn River flats. Depending on the size of the holding, this number is \$20000 to \$25000 per ha. Yes, GHD is out by a factor of 5 times. There are a number of other erroneous assumptions built into this report but are really not worth exploring if the value of land is so flawed. Rest assured, landholders will be contesting the values arrived at in this report.

If you couple, the majorly discounted land values with the understated flood overlays, I think the cost of creating easements is many, many miles north of \$6 million.

In conclusion, I would like to thank the Senators for giving me the opportunity to make this submission to the inquiry into the MDB Plan. I hope that the Inquiry resets the thinking in the MDBA and far more account is taken of the human toll under this proposal.

Yours sincerely.

Stuart Gilmore.

