Gwydir Valley Irrigators Association Inc.

458 Frome St, PO Box 1451, Moree NSW 2400

Submission into the Australian Senate's Standing Committee on Environment, Communications and the Arts Inquiry into Water (Crisis Powers and Floodwater Diversion) Bill 2010

June 10, 2010

<u>Introduction:</u> The Gwydir Valley Irrigators Association (GVIA) is a voluntary organisation that represents the interests of irrigation entitlement holders in the Gwydir Valley of North-West NSW.

Membership of the organisation represents is in excess of 90% of the privately owned (non-government) water entitlement in the valley, covering regulated, unregulated and groundwater sources.

The Association is a member of both the NSW Irrigators Council and the National Irrigators Council, but reserves its right to express views independently of these two bodies.

GVIA welcomes the opportunity to make this submission to the inquiry, and would be prepared to appear before the inquiry if the committee wishes for any additional information on any of the matters raised in this submission.

The Association's contact details are as follows:

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This submission contains no confidential material.

The Gwydir Valley Irrigators Association is extremely disappointed that this ill-conceived and ill-prepared Bill has even made it before Federal Parliament.

It is some what amazing that Senator Xenophon and Senator Hanson-Young could even propose this Bill prior to allowing the Murray-Darling Basin Inter-Governmental Agreement and the associated Murray-Darling Basin Plan to take effect.

The Bill appears to be nothing more than a "knee-jerk" reaction to the very severe drought still being faced by most of south-eastern Australia; and a one sided South Australia view of the recent flood events the emanated in the Queensland portion of the Murray-Darling Basin.

One thing that every one seems to agree on in water circles is that water users are looking for some degree of certainty in water management. Considering this Bill just as the Murray Darling Basin Authority Basin proposed plan is due to come out undermines any attempt at providing certainty.

The Bill is unnecessary in principle, flawed in design, constitutionally unsound, and if passed would even further erode Australian irrigators' trust of the nation's water managers and custodians.

The current drought has triggered much debate on the management of Australia's water resources, and as a result the nation now has the Water Act (2007) and awaits the release of the Murray Darling Basin Authority Basin Plan, due to occur in a matter of weeks.

The Authority and the Plan will revolutionise the management of water across the Basin, and rightly or wrongly will significantly reduce the level of extractions from our river systems.

The structure has been developed to allow the Authority to determine Basin-Wide and Valley specific extraction limits, while allowing day-to-day water management to rest with the States.

The commencement of the Plan will not have a miraculous or an immediate effect on the health of the river, but nor would the passing of this Bill.

What is required is widespread rain and a very significant breaking of the drought. This, coupled with the effective implementation of a well-developed and thought-out Basin Plan should lead to the sustainable river system that every one wants.

If the proposed Bill was to become law, nothing would be achieved unless there were significant inflows to manage, and when these significant inflows occurred, a combination of the current arrangements and the implementation of the Basin Plan would work.

The recent flows that have originated from southern Queensland are a case in point. The earlier rains resulted in State cooperation allowing significant flows to bypass the Menindee Lakes and flow through to South Australia, while the most recent flows have resulted, in pursuance with interstate arrangements, in the control of the water in Menindee passing from NSW Government to the Murray-Darling Basin Authority.

What has been lacking in the recent events has been a relatively large volume of water.

As significant as the Queensland floods were for the townships affected, they were not large enough to overcome the cumulative effects of a decade of drought.

Yes, irrigators accessed their share of the flows, but it should be noted that in many cases these irrigators had had years of zero or close to zero allocations, unlike irrigators in South Australia.

However, the vast majority of the water commenced its journey down the system. What must be understood is that a river system is not a sealed pipeline, and the waters spread across the vast, parched floodplains of southern Queensland and northern NSW, filling billabongs and bringing the outback environment and communities back to life.

With the outback now primed, a similar or even smaller flood event would without doubt deliver greater flows down the length of the Darling system, and into the Murray.

South Australian may look to the Murray-Darling system, and think they have a natural right to every drop of water that enters the Basin, but the reality is that a parch system, like a sponge, will soak up water prior to reaching a saturated state and allowing the water to pass on.

It should be noted that the CSIRO in its "Water Availability in the Murray-Darling Basin" report on page 31 stated that only 18% of the average flow out of the Condamine-Balonne pre-development would have made it to the Murray Mouth.

So it is actually surprising, given the antecedent conditions that as much water as did, was captured in Menindee Lakes and is now available to supply South Australia.

The purpose of the above paragraphs was to demonstrate that the Bill is unnecessary, the current and future Basin Plan arrangements should work when water is available, and if there is no water, it does not matter what administrative arrangements are in place.

Having read why the Bill is unnecessary, consider why the Bill is unworkable.

- It doesn't truly adopt a Basin-wide approach; it appears to be unashamedly Lower Lakes focused.
- It does not identify what a high security entitlement is only NSW has entitlements defined as high security.
- It does not define what an irrigation district is.

- It would require a complete duplication of water management systems and personnel. The Murray-Darling Basin Authority would have to have the capacity to run the entire system during a crisis, while the State would have to continue to maintain theirs and vice-a-versa when the crisis passed.
- It could be possible that the crisis could be triggered by two continuous years of high security allocations being below 20% in valleys like the Gwydir, Lachlan or Macquarie, which traditionally supply little or nothing into the wider Basin, except in years of large floods.
- The Bill would completely undermine the market based system of water entitlements, and therefore be completely inconsistent with the National Water Commission.
- The Bill blatantly favours the protection of permanent plantings over and above other forms of agriculture, which appears to directly contradict the requirement to have regard for the importance of efficient market process in determine the most appropriate way to use water and to facilitate structural adjustment.

This Bill is simply unnecessary and unworkable. It appears to be unashamedly focused on South Australia, and shows no understanding of the workings of the entire Basin, nor any real interest in it.

Submission Ends