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Administration Centre P.O. Box 250 92 Nelson Street NHILL VIC 3418 Ph: (03) 5391 1811 Fax: (03) 5391 1376

email: info@hindmarsh .vic.gov.au

Customer Service Centres

Jeparit 10 Roy Street JEPARIT VIC 3423 Ph: (03) 5397 2070 Fax: (03) 5397 2263

Dimboola 101 Lloyd Street DIMBOOLA VIC 3414 Ph: (03) 5389 1734 Fax: (03) 5389 1734

Rainbow Federal Street RAINBOW VIC 3424 Ph: (03) 5395 1436 Fax: (03) 5395 1436 Mr Ian Dundas Secretary House of Representatives Standing Committee on Agriculture, Fisheries and Forestry Parliament House CANBERRA ACT 2600

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CUMPER A CONSTRUCTION	AGRICULTURE, FISHERIES AND FORESTRY

Emailed 31/10/02

Dear Mr Dundas

INQUIRY INTO FUTURE WATER SUPPLIES FOR AUSTRALIA'S RURAL INDUSTRIES AND COMMUNITIES

Thank you for opportunity to comment on your terms of reference.

The Hindmarsh Shire is located in North-West Victoria, approx. half way between Melbourne and Adelaide. We have a dryland, agriculture-based economy. Our population of 6,600 is dispersed over an area of 7,500 square kilometres. Our population centres are Nhill, Dimboola, Rainbow, and Jeparit. The Shire has 844 business enterprises of which 62% are involved in agriculture - mainly in grain, oilseed, legume, and sheep production.

The Shire is a significant producer of:

- 84% of all stocks of ducks in Victoria.
- 10% of wheat production in Victoria.
- 12% of barley production in Victoria.
- 8% of canola production in Victoria.
- 21% of field peas production in Victoria.
- 11% of chick peas production in Victoria.
- 13% of faba beans production in Victoria (ABS 1997).

Agricultural practices over the last 150 years have modified the landscape. Natural resource degradation has occurred, but is being addressed through local re-vegetation and salinity programs. Progress towards more sustainable agricultural practices is essential for future prosperity. Hindmarsh Shire Council

The Wimmera River is a major source of water, but we are concerned that it is over utilised. Private harvesting of water in the upper reaches of the catchment, outside the Shire, has increased in recent years. Victoria's largest freshwater lake – Lake Hindmarsh is bone dry. Lake Albacutya, a Ramsar-listed wetland of international significance, may not receive inundation for 100 years, based on current river flow. The Council is very anxious to secure increased environmental flows for the Wimmera River.

Dimboola, Jeparit and Rainbow and many farms (east of the Wimmera River) are supplied water via earthen channels from Grampians reservoirs. Much of the present channel system is over 70 years old, having been built in the depression years after extended drought. Before that, communities relied on rainwater tanks, dams were often dry, and water was carted.

The Wimmera Mallee Channel System covers some 2.9 million hectares with 16,000KM of earthen channels. The system is located in one of the driest parts of Victoria and supplies water mainly from the headworks storages in the Grampians in the south to almost the Murray River some 300KM north.

Regional reservoirs are at 10.5% of capacity, after six years of below average rainfall.

In Rainbow and Dimboola, the water is treated to national standards. Nhill is supplied via six bores. A de-salination trial in Nhill has been proposed by Grampians Water. The western area of the Shire has accessible groundwater, and is a recharge area for the Vic/SA groundwater zone.

We know from the Wimmera Mallee Piping feasibility study, that of 120,000 megalitres released into the channel system in an average year, only 17,000 megalitres is actually used by customers. The rest is wasted - up to 80% of water is currently lost from open channels due to evaporation and leakage. A water loss analysis has revealed 85,000 megalitres per year is lost from channels, plus a further 18,000 megalitres is lost from farm dams through evaporation and seepage.

The Victorian Government has committed \$77.5 million to piping the channels over 10 years. Piping could free 83,000 megalitres of water a year for the environment, and guarantee security of supply across the region. The Federal Government is yet to announce its commitment. However, a detailed design and costing project has commenced.

Farm properties would benefit from a secure, 365-days-a-year piped water supply compared, with a once-a-year dam fill.

Water savings would be used for the environment, and for on-farm diversification and new industry.

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Principal options for the use of water savings include:

 Sustaining a minimum ecological system in the Wimmera and Glenelg Rivers and other waterways.

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- Improved security of supply throughout the region (ie less prone to future droughts) and improved water quality.
- Water available for new industries and other regional economic development opportunities (up to 10,000 megalitres).

Communities in Western Victoria strongly support the project.

Specific comments on your terms of reference are as follows:

The role of the Commonwealth in ensuring adequate and sustainable supply of water in rural and regional Australia.

The Commonwealth has a vital role in meeting its share of the costs of piping the Wimmera Mallee channels. This project will greatly enhance the security of water supply in North West Victoria. There are massive environmental benefits.

The Commonwealth could exercise its powers (*Commonwealth Environment Protection and Conservation Act 1999*) to ensure that Ramsar Wetlands such as Lake Albacutya, receive environmental flows.

Commonwealth policies and programs in rural and regional Australia that could underpin stability of storage and supply of water for domestic consumption and other purposes.

The Commonwealth could take a 'proactive' approach to fund capital improvements, which will enhance security of supplies, and encourage water efficiency.

The Commonwealth could commit to funding its share of the Wimmera Mallee Pipeline. This would be of greater practical benefit to drought-affected farmers, than 'reactive' financial support.

The effect of Commonwealth policies and programs on current and future water use in rural Australia.

The Commonwealth, by funding projects such as 'Piping the Wimmera Mallee Channels' could encourage industry and population growth in rural areas. This would have less environmental impact than the continuing and unsustainable growth of the mega-cities of Melbourne, Sydney, and Brisbane. Commonwealth policies and programs that could address and balance the competing demands on water resources.

Clearly some State Governments have not managed water resources in a sustainable manner, and water issues cross State boundaries.

Without getting into issues of the Federal Constitution and 'State Rights', a strong leadership role by the Commonwealth (and the exercise of powers under for example, the *Commonwealth Environment Protection and Conservation Act 1999*) would be very appropriate. This could include a strong role in measuring and monitoring, river/groundwater health and management.

The adequacy of scientific research on the approaches required for adaptation to climate variability and better weather prediction, including the reliability of forecasting systems and capacity to provide specialist forecasts.

Obviously, the continued funding of research into the effects of global warming is highly desirable, and will be useful for farmers.

The funding of research into cloud seeding, would also be desirable. The effects of urban and industrial air pollution on rainfall, also require further research.

Yours faithfully

Neil Jacobs Chief Executive Officer