ADDITIONAL COMMENTS BY SENATOR NICK XENOPHON

1.1 Any consideration of the *Water Act 2007* needs to take into account the following issues:

- the importance of the Murray-Darling Basin as playing a key role in Australia's food supply, and the importance of having a healthy river system to sustain this;
- the variability of the climate in the Murray-Darling Basin, and the resulting highly variable water flows in the Basin;
- the future effects of climate change on the environment of the Basin, as predicted by the CSIRO; and
- the power of the states, and the power of the Murray-Darling Basin Authority (MDBA) to enforce the proposed Basin Plan.

1.2 In addition, I draw attention to the issue of 'early adopters'; that is, irrigators and farmers in the Basin who have already taken steps to implement water saving technologies. Many of these early adopters are based in South Australia, where irrigators in the Riverland have spent many millions of dollars of their own money to implement water saving technologies since the late 1960s. This means that they are now generally not able to access the Water for the Future scheme, of which irrigators upstream are now taking advantage. In essence, irrigators and farmers who took steps to become more efficient early on are now at a distinct disadvantage.

1.3 Further, this is particularly important in the context of the MDBA's Guide to the Proposed Basin Plan, in which the MDBA outlines the dollar value per hectare of irrigated product in each area of the Basin (table reproduced overleaf).[1]

1 Murray-Darling Basin Authority, *Guide to the Proposed Basin Plan*, 2010, p. 95.

Table 7.1 Average non-irrigated gross value of agricultural production per hectare, and average gross value of irrigated agricultural production per hectare, by Basin region

Region	Average gross value of non-irrigated agricultural production ($/ha)	Average gross value of irrigated agricultural production ($/ha)
Condamine	106	4,028
Border Rivers (QLD)	145	6,348
Border Rivers (NSW)	145	4,049
Warrego	15	3,747
Paroo	80	6,602
Namoi	200	2,752
Macquarie	127	3,310
Moonie	109	3,627
Gwydir	165	3,285
Barwon Darling	25	2,487
Lachlan	147	2,934
Murrumbidgee	189	2,149
Ovens	488	7,025
Goulburn Broken	461	4,496
Campaspe	546	4,142
Wimmera	291	4,813
Loddon	366	2,236
Murray (NSW)	79	1,702
Murray (VIC)	79	4,261
Lower Murray Darling	79	7,024
SA Murray	79	9,176
Eastern Mount Lofty Ranges	411	8,241
Basin average	**184**	**3,295**

Source: adapted from ABARE (2010) (see notes for Figure 7.3)

1.4 It is critical in considering a Basin Plan that the relative efficiencies of each area are taken into account when allocating resources. Low efficiency areas must have an onus placed on them to improve, while credit needs to be given to early adopters in more efficient areas.

1.5 In addition and critically, the MDBA's Guide to the Proposed Basin Plan also emphasises the importance of an open Murray Mouth to the health of the Basin as a whole.[2] It states:

> …an open mouth is essential to the environmental health of the Basin for a range of reasons including:
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> - export of salt and nutrients from the Basin — without salt export land will salinise and water quality will deteriorate with negative effects on both the environment and consumptive use for all irrigation and human water needs throughout the Basin
> - a healthy Coorong — tidal exchange between the Southern Ocean and the Coorong is important in maintaining water quality in the Coorong

2 Murray-Darling Basin Authority, *Guide to the Proposed Basin Plan*, 2010, pp 113-114.

(particularly the southern Coorong) and in maintaining water levels that inundate mudflats, which are important habitat for a range of plant and animal species

- assist with maintaining a range of healthy estuarine, marine and hypersaline conditions in the Coorong, including healthy populations of 'keystone' species such as tuberous tassel in the South Lagoon and widgeon grass in the North Lagoon
- migration of diadromous fish species (fish that require access to both fresh and saline water to complete their life cycle) — seven such species, including common galaxias and estuary perch, require this connectivity.[3]

1.6 It is vital that this aim continues to be a priority in considering a Plan for the Basin, because if the river system is not healthy, not only are the ecosystems of the river at risk, but also the viability of agriculture in the Basin.

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3 Murray-Darling Basin Authority, *Guide to the Proposed Basin Plan*, 2010, p. 113.