

The Committee Secretary
Standing Committee on Regional Australia
Parliament House
Canberra

Submission No 146 

Dear Sir/Madam

This email is being sent on behalf of the Peel Valley Water Users Association, representing irrigators in the Peel Valley in the Tamworth district, and it is being forwarded in response to an advertisement in "The Land" dated 25th November 2010.

Attached is a copy of a letter which has already been forwarded to the Murray Darling Basin Authority, and it is clear from the "Guide to the proposed Basin Plan" that the Authority has not undertaken the research that is necessary prior to the implementation of the proposed plan.

Specifically, the Authority has not performed an economic and social impact study into the effects of the plan on the businesses, community, and irrigation industry around Tamworth.

Likewise, the Authority has not taken account of the fact that the Peel Valley is a separate valley from the Namoi Valley, and it is totally inappropriate to combine the two distinctly different valleys.

What is required, is for the Authority to -

1. Undertake a proper socio-economic impact study into the effects of the plan on the businesses and communities of the Tamworth district. Failure to undertake such a study by the Authority would indicate a blatant indifference for the future welfare of the businesses and community of Tamworth.
2. Determine a scientifically based sustainable diversion limit for the Peel Valley, separately from the Namoi Valley. For the reasons explained in the attached letter, the two valleys could not be more different, and it is simply ludicrous for the Authority to treat them equally.

The stand out statistic is that 95% of the total flow in the Peel River already flows out of the end of the Peel River into the Namoi, and is therefore already committed to the environment and downstream users. In other words, the combined extractions by the City of Tamworth and the irrigators in the Peel Valley only amount to 5% of the water in the Peel River.

Since these figures were established, the Peel Water Sharing Plan has been introduced, and it reduced access to ground water and regulated surface water by at least 80%, so there can never be less than 95% of the total flow in the Peel River committed to the environment and downstream users. Any further reduction in access to water in the Peel Valley would provide only minuscule environmental gains, but would annihilate the irrigation industry in the Tamworth district. The Peel Valley does not need, and cannot sustain any further cuts in access to water under the MDBA Plan.

We have twice sought confirmation from the Authority that they will uphold a commitment they made on 20th October 2010 to visit Tamworth to discuss these issues, and we are still awaiting their response.

We also hereby extend an invitation to representatives from your Standing Committee to visit Tamworth, either to attend the proposed meeting with the Authority or to meet separately with stakeholders from the Tamworth district. Would you please indicate whether you would be prepared to participate in either of these options.

We are very concerned that a "one size fits all" approach by the Authority to the implementation of the Plan in order to meet an arbitrary due date, without the appropriate research and understanding of the long term ramifications, is an over-zealous methodology which will result in disaster for this major regional economy.

Yours faithfully
Peel Valley Water Users Association

Ildu Monticone
President

Peel Valley Water Users Association

PO Box 952, Tamworth NSW 2340

Mr Rob Freeman
Chief Executive
MDBA
GPO Box 1801
Canberra City ACT 2601

15 November 2010

Dear Mr Freeman

Re Public Consultation Meeting – Narrabri – 20 October 2010

At the public consultation meeting in Narrabri on Wednesday 20th October, in response to a question raised from the floor by a representative of this Association, Mr Mike Taylor made a commitment that the MDBA would visit Tamworth to hear the concerns of the irrigators in the Peel Valley and the socio-economic impact that the proposed plan would have on the city of Tamworth.

I note that this commitment was not recorded in the notes of the meeting on the MDBA website, and I am seeking your confirmation that it is still the intention of the MDBA to visit Tamworth for these purposes.

Further, I would be grateful if you would set a date for this meeting, and give us a commitment that the outcomes of the meeting will be taken into consideration in the development of the final plan, given that the date by which comments must be received by the MDBA in order to be considered in the development of the plan is 30th November 2010.

Yours faithfully

Ildu Monticone
President

Peel Valley Water Users Association

PO Box 952, Tamworth NSW 2340

25th November 2010

Mr Rob Freeman
Chief Executive
MDBA
GPO Box 1801
Canberra City ACT 2601

Dear Mr Freeman

Comments on the Guide to the Basin Plan

The Peel Valley Water Users Association is concerned with the direction that the proposed plan for the Murray Darling Basin is taking, including the fact that comments need to be made prior to the end of November 2010 if they are to be considered in the final plan.

We are therefore making the following comments on the basis that they will be taken into account in the final plan –

1. The MDBA Roadshow made a commitment to visit Tamworth

As outlined in the attached letter dated 15th November, the Chairman of the MDBA made a commitment to visit Tamworth as part of the consultation process, and we expect that that commitment will not only be honoured, but that the outcomes from the meeting will in fact be considered in the final plan. The whole purpose of MDBA staff visiting Tamworth is for them to understand the issues facing the irrigation community and the businesses of the district, and it is pointless to have these discussions unless we are assured that the outcomes are taken into consideration in the final plan.

2. The Peel Valley should have a separate Valley-based Sustainable Diversion Limit, instead of being combined with the Namoi Valley

We believe that the Peel Valley should be treated separately from the Namoi Valley, and here are some of the reasons -

- The precedent has long been set, in the sense that the NSW Office of Water, State Water, and IPART have always treated the Peel Valley separately from the Namoi Valley
- The Peel Valley has a separate Water Sharing Plan to the Water Sharing Plan for the Namoi Valley
- All of the IQQM Modelling has been done for the Peel Valley separately from the modelling for the Namoi Valley
- The irrigation characteristics of the Peel Valley are distinctly different from the Namoi Valley – for example - in the Peel Valley the farms are smaller, the irrigation licences are smaller, the pump sizes are smaller, the irrigation methods are different (spray lines,

underground drip irrigation, centre pivots or lateral booms as opposed to open channels and furrow irrigation), and there are no known on-farm storage dams in the Peel Valley, (whilst the Namoi Valley is full of them).

- The characteristics of the two rivers are distinctly different – the Peel River has a significant drop in elevation from Chaffey dam to the junction with the Namoi River, and therefore it flows relatively quickly; whilst the Namoi River generally flows more slowly through the open and flatter plains country of the Namoi Valley
- The Peel Valley irrigators share Chaffey Dam with the City of Tamworth – one of the state’s major inland regional cities, but there is no town in the Namoi Valley that draws its water from the Namoi River. This fact alone sufficiently differentiates the Peel Valley from the Namoi Valley to justify separate treatment under the MDBA Plan

Therefore, we are seeking an undertaking from the MDBA to treat the Peel Valley separately from the Namoi Valley, and produce a Sustainable Diversion Limit for the Peel Valley – one that is separate from the Namoi Valley, and one that is scientifically established.

3. The proposed plan has a combined extraction limit for the Peel Valley and the Namoi Valley, which includes regulated and unregulated surface water use

This is a completely unrealistic approach given the fact that each valley is subject to a separate Water Sharing Plan, and each of the plans deals with regulated water separately from unregulated water. (The plan is effectively aggregating 4 dissimilar water categories into the one group).

But using this flawed approach, and adopting a middle of the range reduction of 25% from the 3 different scenarios offered by the MDBA (ie 21%, 24% and 27%) then the extraction limit in the Peel Water Sharing Plan will reduce from 15.1GL to 11.2GL, and General Security Regulated Water users will therefore have their access to water reduced to about 2.3 GL, or only about 7.5% of total entitlement. Clearly, this figure is well below the Long Term Annual Extraction Limit of 6.1 GL, which is the figure in the Peel Water Sharing Plan. (The MDBA will be fully aware of this figure).

We intend to argue the case that a reduction from 6.1GL to about 2.3GL is unsustainable.

4. There is a serious error in the MDBA statistics affecting the Peel Valley

The Water Sharing Plan for the Peel Valley which took effect from 1st July 2010 (just 4 months ago) determined a Long Term Average Annual Extraction Limit for groundwater from the alluvium of 9,344 ML annually.

This is a very low figure when compared to the total entitlement of 49,800 ML prior to the implementation of the Water Sharing Plan.

The real problem currently is that the MDBA Guide which was released on 8th October 2010 has proposed an extraction limit of 7,300 ML for the same water source.

The MDBA is fully aware that the figure of 9,334 ML in the Water Sharing Plan was based on comprehensive modelling and it has offered no explanation why it’s figure of 7,300 ML is so different from the figure gazetted in the Water Sharing Plan only a matter of a few weeks earlier.

The MDBA is fully aware that the basin plan limit of 7,300 ML is below the average use for the Peel Valley, and therefore a breach of the extraction limit will occur. The MDBA will also be fully aware that the consequences of breaching the extraction limit are that the ground

water users share will drop – probably from 1 ML per unit share down to about 0.2 ML per unit share.

Generating a plan in the full knowledge that groundwater access will be annihilated as soon as the plan commences is a seriously flawed approach, and we are insisting that the MDBA revise its figure for the groundwater extraction limit for the Peel Valley upwards, to at least the figure of 9,334 ML as per the Water Sharing Plan.

It is not just the reduction in access to water that concerns irrigators – the ADDITIONAL PROBLEM is the repercussions on access to water when a breach of extraction limits occurs.

5. The Peel Valley and the Environment

The MDBA will be fully aware that the Peel Water Sharing Plan specifies that even before the reductions to irrigation water entitlements which were introduced in the Peel Water Sharing Plan took effect from 1st July 2010, 95% of the long term average flow in the Peel River flows out the end of the Peel River into the Namoi River.

In other words, the combined total extraction (of surface water irrigators and the city of Tamworth) is 5% of the total flow of the Peel River – before the Water Sharing Plan cutbacks are taken into account.

If all the valleys in the Murray Darling Basin had this “environmental footprint”, no cuts to water use anywhere in the Murray-Darling Basin would be necessary. The Peel Valley does not need, and cannot sustain any further cuts under the MDBA Plan.

We are seeking confirmation that the MDBA roadshow team will uphold the commitment to visit Tamworth to discuss the concerns of the irrigation industry and the businesses of the district (including the above issues), and that the outcomes from the meeting will not be too late for consideration in the formulation of the final plan. We are again requesting that the MDBA set a date for this proposed meeting as soon as possible.

Yours faithfully

Ildu Monticone
President

Cc Tony Windsor, Peter Draper