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December 9, 2010

Committee Secretary  
Senate Standing Committee on Rural Affairs and Transport  
PO Box 6100 – Parliament House  
Canberra ACT 2600

To Whom It May Concern:

**Re: Draft Murray Darling Basin Authority Plan**

On behalf of InterAg Services Pty Ltd (IAS) I am writing to urge you to oppose the Murray Darling Basin Authority (MDBA) Draft Plan for the Murray Darling Basin (MDB).

IAS is an agricultural business situated in the Gwydir Valley that is heavily reliant on irrigated agriculture for its survival. Our organisation attended the community consultation meeting in Moree and is deeply concerned that the scientific rigour of the MDBA draft plan has not been verified. One of the most obvious weaknesses of the MDBA Guide is the failure to capitalise on local knowledge and expertise to ensure that the plan outlines guidelines specific to each valley. A “one-size-fits-all” solution is simply not effective. IAS would like to draw your attention to the following recommendations and comments:

- 1) The importance of investing in agricultural irrigation infrastructure
- 2) The socio-economic implications for the Moree Plains Shire
- 3) Flaws with the 2007 Water Act
- 4) A greater focus needed on land management practices

**1. The importance of investing in agricultural irrigation infrastructure**

IAS strongly believes that government buybacks of Gwydir Water Entitlements are merely a “Band-Aid solution” – a sheer increase in the volume of water will not effectively deliver environmental outcomes.



Furthermore, government buybacks only profit the seller and have no long-term economic benefits for the community.

The Australian Cotton Industry is a positive example of how irrigation infrastructure can be used to improve water use efficiencies; it is the most efficient cotton producer in the world and is three times more efficient than the global average (Cotton Catchment Communities CRC 2007). Furthermore, cotton growing valleys such as the Gwydir Valley account for less than 20% of total water extracted in the Murray Darling Basin (Cotton Catchment Communities CRC 2007). As a region renowned for innovation in improving irrigation efficiencies we believe it is both unfair and unjustified that the Gwydir Valley should suffer the greatest impact.

We expect the government to deliver on its' commitment to investing in irrigation infrastructure and to ensure that grants are not significantly reduced by tax bills. Investment in irrigation infrastructure will help to achieve long-term sustainable outcomes by reducing water wastage and increasing the total amount of water available for environmental and consumptive purposes.

**Recommendation:**

The Australian Government needs to honour its' commitment to investing in irrigation infrastructure in replacement of further government buy backs that have no long-term benefits for the community.

## **2. The socio-economic implications for the Moree Plains Shire**

Irrigation forms a large proportion of both agricultural industries and the total economy of the Moree Plains Shire. The Judith Stubbs & Associates (JSA) Report conducted in July this year titled: "*Exploring the Relationship between Community Resilience & Irrigated Agriculture in the Murray Darling Basin: Social and Economic Impacts of Reduced Irrigation Water- Appendix 7 Moree Plains, NSW Case Study*" acknowledges that the Moree Plains Shire is an area heavily reliant on irrigated agriculture for its survival. There is little economic diversity in the Shire and unlike surrounding towns such as Narrabri and Gunnedah there are limited opportunities to pursue alternative, extractive industries such as mining (JSA 2010).

Moree has already experienced significant rural decline between the drought years of 2001-2010 – permanent reductions in water will significantly constrain post-drought recovery and will result in population and job loss. The JSA Report (2010) identified that a 25% reduction in water availability in the Gwydir Valley would result in a loss of 232 jobs and 649 people from the Moree Plains Shire.



However, it is important to note that by the report's own admission these figures are considered to be highly conservative (JSA 2010).

IAS would also like to highlight page 130 of the MDBA Guide where a graph demonstrates that if the MDBA were to adopt the 4000GL SDL option, water availability would return to the same level experienced during the last nine years of drought (MDBA 2010). The Moree Plains Shire Council has estimated that approximately 2000 people left the Shire during this period. This illustrates the likely social and economic impacts that would occur if the current plan were to be implemented.

**Recommendation:**

The social and economic factors should be given the same amount of consideration as the environment – a balance must be reached.

**3. Flaws with the 2007 Water Act**

IAS shares the view with the Gwydir Valley Irrigators Association (GVIA) that the Water Act (2007) does not permit the 2004 National Water Initiative (NWI) to use the Basin's water resources to optimise both the environmental and socio-economic outcomes.

In addition, the recent resignation of the Chair of the MDBA, Michael Taylor, has done little to instil our confidence in the MDBA to effectively deliver outcomes that satisfy both the socio-economic and environmental needs under the Act. In his resignation statement Mr Taylor stressed that "balancing the requirements of the Water Act (2007) against the potential social and economic impact on communities will be a significant challenge" (Taylor 2010). His resignation highlights the severe problems with the implementation of the Water Act (2007).

**Recommendation:**

IAS recommends that the Water Act be amended so that both socio-economic and environmental outcomes are given equal consideration. Furthermore, IAS suggests that the MDBA consult the National Irrigators Council and NSW Irrigators Council on this issue.



#### **4. A greater focus needed on land management practices**

IAS requests that the MDBA acknowledge a number of scientific reports published by Dr Lee Benson<sup>1</sup>, a leading expert in the sustainable management of river systems. His research indicates that river degradation has not solely resulted from less available water but has occurred due to land clearing, grazing, burning, weeds, feral animals and catchment effects (Benson 2008; Department of Environment, Climate Change and Water 2006).

IAS, along with countless other stakeholders believes this highlights the need for better land management practices. A good example of this is the Macquarie Marshes, a RAMSAR listed heritage site that has suffered significant degradation due to grazing. After the implementation of a rehabilitation program the Marshes recovered significantly with the restoration of native vegetation and increased native bird life (IAS is willing to provide photographic evidence upon request).

IAS request that the MDBA consider that due to seasonal variation, typified by a recent wet period following almost a decade of drought setting fixed SDLs in the Gwydir Valley is neither a sensible nor a sustainable practice.

#### **Recommendation:**

IAS recommends the MDBA study other issues that are contributing to the deterioration of the MDB. Furthermore, IAS recommends that further investigation into the hydrological and ecological patterns of the Gwydir Valley is carried out before further decisions are made.

On a final note we believe that true engagement will only occur if the MDBA provides adequate time and resources to allow each valley to analyse the information outlined in the guide, in a manner that allows direct communication with the MDBA and the relevant state and federal bodies.

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<sup>1</sup> Dr Benson is a past president of the Environmental Institute of Australia, was an Advisory Committee Member of the School of Tropical Environmental Studies (James Cook University) between 1999 and 2001 and as Director of Ecology Management Pty Ltd led a study commissioned by Murray Irrigation Ltd in May 2003 into the science and assumptions behind the Murray Darling Basin Commission's Living Murray Initiative.



We look forward to receiving a written response and are more than willing to provide further information and resources upon request.

Thankyou for your time and consideration.

Sincerely,

Andrew Parkes

General Manager  
InterAg Services Pty Ltd



### Reference List:

- Benson, L. (2008) “The Science Behind Water Planning in the Gwydir” Presentation by Director of Ecology Management (EM) Pty Ltd, Dr Lee Benson
- Cotton Catchment Communities CRC Website (2007), “Cotton Information- Cotton in a Nutshell” [http://cotton.crc.org.au/content/Communities/Cotton\\_Info/Cotton\\_in\\_a\\_Nutshell.aspx](http://cotton.crc.org.au/content/Communities/Cotton_Info/Cotton_in_a_Nutshell.aspx)
- Department of Environment, Climate Change and Water (2006) “NSW Water Quality and River Flow Objectives; Consultation” <http://www.environment.nsw.gov.au/ieo/Gwydir/>
- MDBA, (2010), “Guide to the proposed Basin Plan: Overview”, Vol. 1, MDBA Canberra.
- Stubbs, J. (July 2010), “Appendix 7: Moree Plains, NSW Case Study – Exploring the Relationship between Community Resilience & Irrigated Agriculture in the Murray Darling Basin: Social and Economic Impacts of Reduced Irrigation Water”, Judith Stubbs & Associates (JSA) Report, Prepared for the Cotton Catchment Communities CRC.
- Taylor, M. (2010) “Press Release: Plan for the Murray Darling Basin – Role of Authority Chair”, MDBA, 8 December.