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The environmental health of the basin is fundamental to life and production. Any potential water savings made by the procurement of water entitlements requires a balanced approach to protect the environment whilst maintaining agricultural production. These actions and decisions must not be taken lightly using a flawed Plan.

General Comments

1. The objectives of the National Water Initiative agreed to by the Basin States in 2004 has not flowed through to the Commonwealth Water Act (CWA) and that the triple bottom line of optimizing social, economic and environmental outcomes will clearly not be achieved.

2. Need an Environmental Water Management Plan first.

Key Environmental assets need to be determined and justified prior to any suggested purchase of consumptive water for an environment that may not need it. It is idiocy to announce proposed SDL's without having any clear and transparent validation of watering requirements of the identified assets by an Environmental Water Management Plan. This should have been done to allow cross examination of the environmental watering requirements and provide a robust environmental watering account encompassing engineering solutions for the environmental sites with state of the art works and measures to ensure every gigalitre is in fact required.

The Commonwealth Water Holder currently has in excess of 500GL of Environmental water which, embarrassingly, it has nowhere to use. How then can it be justified that more water is needed? Note that prior to man made regulation of the system the proposed environmental watering requirements did not occur. The systems natural environment was accustomed to extended dry periods followed by floods which are being experienced this year.

3. Water account balance to include ALL environmental water.

A transparent and comprehensive Environmental Water Account needs to be established that includes ALL water available for environmental purposes, both State and Federal, within the Basin. The commonwealth Water Holder currently has in excess of 500GL, The Living Murray 400GL, with all water held by the States such as 32GL Murray Environmental water together with NSW Riverbank and all other state owned water.

This then needs to be correlated with where it is proposed to be used and a set of clearly defined triggers for frequency and volumes of use in the EWMP. When this was raised at Deniliquin there was confusion around whether or not the proposed SDL's were in addition to the volumes that have already been taken from consumptive use or were starting from a baseline of zero available for the environment.

4. There is no recognition of the "duality" of water.

Within the plan water has been "earmarked" for specific purposes such as transmission, critical human need etc, without any apparent understanding that for as long as water is in the system, no matter what it is there for, it is in fact providing environmental function and service.

4. Translocation of population to the coast looking for employment.

The lack of a comprehensive socio-economic analysis of the potential impacts is inexcusable. Equally concerning is the lack of consideration of the third party regional communities. We have seen with the prolonged drought some shift in population, while many chose to remain in the area waiting for "the drought to break". If water is removed from consumptive use permanently it will create a permanent drought and substantial numbers of families will be forced to relocate to coastal areas for employment. This will have a twofold impact: implosion of locate regional communities as well as creating additional population pressures on infrastructure that is already inadequate to demand.

5. No consideration was given to engineering solutions and substantial infrastructure development such as new dams and additional in system storages to capture available water in extreme years for use when needed. This obsessive "buy-back" as the only option demonstrates a severe lack of vision for the future, particularly with forecast population trends into the future.

6. The "best available science" has not been used.

Basing a plan on only the worst recorded drought is not using the "best available science" to develop the SDL's and so the plan has no credibility. The CSIRO reports issued over the past eight years, reflecting the driest ever sequential drought period as the basis for recommendations have very little credibility and reflect poorly on what was once this countries premier scientific research organisation and that their sustainable yields report has been used for the Guides recommendations.

In conjunction with the CSIRO sustainable yields report, the Sustainable Rivers Audit (SRA) has also been accredited by the MDBA. We challenge the MDBA with using the SRA findings that were researched during a record dry period with phrases such as *"best available science"* used.

7. Need to take into account Water Sharing Plans

The NSW WSP's need sufficient time to adjust to water buyback and more normal inflows prior to determining a SDL. *In recognition of the CSIRO sustainable yield report that states that the past dry ten year period is the worst case scenario.* The MDBA should acknowledge the environmental measures that were built into the Water Sharing Plans (WSP's) which have not had time to be measured and monitored due to the last 10 years of drought. These environmental measures should be considered (post drought) before introducing a new round of SDL's under the Basin Plan.

.8. Basin Rivers in "robust" health despite 10 years of drought

We as riparian landholders know that the evidence found by independent scientists such as marine microbiologist Dr. Jennifer Marohassy and other is that the condition of the Basin Rivers is in a "robust" category considering the past ten years of dry climate conditions. Even though the MDB has experienced the driest period in 100 years, continued population growth, interception for farm dams and tree plantations, the system has still maintained water flowing from top to bottom with marginal irrigation allocations and reduced turbidity. Salinity levels at Morgan are at low levels and anecdotal evidence is that fish stocks are rapidly improving with the European Carp not seen in the proportions that they were ten years ago.

We wish to stress that all Murray Darling Basin residents will be socially and economically decimated if this proposed plan were to be implemented. The impacts will be reflected not only by declining basin communities, but by the corresponding increase in population pressure along the coastal fringe as families relocate to find employment.

Responses to Terms of Reference:

• The direct and indirect impact of the Proposed Basin Plan on regional communities, including agricultural industries, local business activity and community wellbeing

Many of the communities derive their core economic base from irrigated agriculture.

With employment in agriculture dependent processing industries reduced permanently, families will have no option to relocate to find employment. We have seen with the prolonged drought some shift in population, while many chose to remain in the area waiting for "the drought to break". If water is removed from consumptive use permanently it will create a permanent drought and substantial numbers of families will be forced to relocate to coastal areas for employment. What has not been mentioned thus far is the potential impacts on the coastal fringe. The resulting population shift will potentially have a twofold impact: implosion of locate regional communities as well as compounding additional population pressures on housing and infrastructure on the coast that is already inadequate to demand.

• Options for water-savings measures or water return on a region-by region basis with consideration given to an analysis of actual versus licence entitlement over the preceding fifteen years.

• The role of governments, the agricultural industry and the research sector in developing and delivering infrastructure and technologies aimed at supporting water efficiency within the Murray-Darling Basin.

Environmental Works and Measures

The narrow focus on water purchase as the only option demonstrates absolutely no vision for the future. Water is life. With projections on population growth in Australia into the future, more water storage for human need will be necessary irrespective of environmental considerations.

It is astounding that the MDBA would not have made further consideration to the possibility of works and measures on environmental sites. Protection of the key environmental sites with minimal over bank flows would reduce the required volumes predicted by the MDBA and ease the level of the proposed SDL.

Engineering options should not be limited to watering sites, but also additional capture and storage of water, both in system and at the headwaters.

Legal interpretation of the Act

The legal advice provided to the Minister has never been publicly released. In the interests of transparency it should be provided in full.

Mike Taylor, ex chairman, MDBA, frequently stated that the legal interpretation of the Act has influenced their findings favouring the environment, whilst on the contrary our political leaders are vowing that a triple bottom line can be achieved within the constraints of the Act. This dilemma has added to the anxiety of our constituents and exacerbated their frustrations with the recent resignation of Mike Taylor.

It is imperative that this issue is resolved as soon as possible so that all stakeholders involved in the Murray Darling Basin Plan can move forward collectively and achieve a triple bottom line outcome without any further conflicting interpretation of the Act.

• Measures to increase water efficiency and to reduce consumption and their relative cost effectiveness

• Opportunities for economic growth and diversification within regional communities; and

• Previous relevant reform and structural adjustment programs and the impact on communities and regions.

Unlike communities with a large population, the majority of our regional towns do not have the critical mass to survive if irrigated agriculture were to reduce to the levels suggested by the MDBA.

Whilst tourism is often viewed as being complementary to regional towns piggybacking on food and fibre production as a major attraction, if the production is reduced to a level that creates a tipping point, tourists needs will not be satisfied therefore their visits to our regions will cease. The estimated Environmental Tourism projections by National Parks as justification for shutting down the timber industry are at best farcical, and have not been borne out over time as evidenced by "Yanga" and "Oolembeyan" properties purchased for National Parks.