

To whom it may concern,

I write on behalf of the Lower Murray Water (LMW) Strategic Advisory Committee (SAC) to express its concerns at some aspects of the Basin Plan.

The SAC represents the interests of LMW's 2759 irrigation customers and 1317 private diverters, by providing informed advice to the LMW Board on a range of policy and strategic issues that affect its irrigation customers.

The Victorian Mallee region comprises predominantly high value perennial horticulture plantings, which rely on high reliability water shares (and carryover) to ensure relatively constant annual average yields.

The Australian Bureau of Statistics – ***Value of Agricultural Commodities Produced, Australia, 2020-21*** lists that the Mildura LGA had an annual agricultural production worth \$1.13 billion, the highest of any LGA in Australia, being part of a total annual output of \$7.3 billion. Total agricultural output in the greater Sunraysia region is more than \$2.7 billion.

An ongoing reliable and secure water supply is essential to keeping Australia's agricultural powerhouse producing wealth and food security for the nation.

### **Buybacks**

Of major concern to the SAC is the confirmation in the federal budget that the government intends to proceed with the additional 450GL of water recovery, above the Murray Darling Basin Plans Bridging the Gap commitment, including an undisclosed budget provision for buybacks.

Further buybacks put our region at a much higher risk of reduced security of reliable water supplies and certain socio economic decline.

In its 5 year update for the Victorian Department of Environment, Land, Water and Planning (DELWP), Frontier Economics developed the August 2022 report, ***Social and economic impacts of Basin Plan water recovery in Victoria***<sup>1</sup>.

The report indicates that if buybacks were to be made in line with the current composition of the Commonwealth Environmental Water Holder (CEWH) portfolio, 102.1GL of Victorian High Reliability Water Shares (HRWS) would need to be purchased to attain the 450GL target. It states that in a repeat of the 2008-2009 'Millennium drought' allocations, some 12,400 ha of Victorian plantings would be at risk of being dried off, with a resultant reduction in the Gross Value of Irrigated Agriculture Production (GVIAP) of \$304M/year (\$100M/year in VIC Mallee) and a loss of approximately 900 farm jobs (326 in VIC Mallee).

The LMW SAC is fully supportive of a healthy river system and ensuring that the environment receives the water it needs to maintain the health of the river and wetlands, including the plants, animals and communities that depend on them.

The SAC believes that alternatives to buybacks are critical in achieving this whilst maintaining food security and a sustainable and healthy economy.

We believe that all other alternatives have been exhausted before pursuing buybacks.

## Water Resource Plans

One key alternative, and area of concern to irrigators in the southern Murray Darling Basin, is that of the NSW government's failure to have Water Resource Plans (WRPs), required under the Murray Darling Basin Plan, accredited and operational. At the time of writing this letter, the MDBA website shows that only four of the twenty required WRPs is operational, more than three years past the deadline, with nine currently being assessed and seven having been withdrawn by the NSW Govt. for revision prior to initial accreditation.

WRPs set out, amongst other things, the limits on how much water can be taken from a system, ensure that floodplain harvesting is within sustainable levels, specify what water will be made available to the environment and how water quality targets are maintained. All other basin states have their required WRPs accredited and operational and are accountable for their compliance.

In the absence of these outstanding WRPs, the Inspector General of Water Compliance has no power to ensure compliance and enforcement. NSW is responsible for around 50 per cent of the water removed from the Murray Darling system in any one year, without any legislative enforcement capability for failure to comply.

According to the *Murray Darling Basin Authority 2021-2 Sustainable Diversion Limit Accounts – Register of Take*<sup>2</sup>, in 2020 – 21 Queensland, ACT, Victoria and SA operated within their permitted take across all areas.

Conversely, NSW submitted only interim registers of take, due to a lack of Water Resource Plans, the figures in which show that NSW took **599.38GL (10.7%) more than their permitted annual take** across all of their systems.<sup>2</sup>

Of note is that in the Murrumbidgee System, which feeds into the Murray River and supplies downstream irrigators and communities, NSW took **747.2 GL (51.1%) more than their annual permitted take** for that system alone.

We believe there is considerable scope here to source additional water for the environment without the need for buybacks by ensuring a fair and equitable take and use of water by all states.

## Floodplain harvesting

Floodplain harvesting is common, and largely unregulated, in the northern basin in both Qld and NSW. Qld having placed a moratorium and freeze on increasing take until accurate measurement can be achieved, and the baseline diversion limits in their Water Resource Plans is amended accordingly. Licensing has occurred in some regions of Qld. along with the implementation of storage meters and other on-farm measuring devices.

Floodplain harvesting continues to occur unregulated in northern NSW. Until it is regulated it also remains unmeasured.

Floodplain harvesting significantly impacts on downstream flows and river health, with economic, social, cultural *and environmental consequences*.<sup>3</sup>

**Report no.1 NSW Legislative Council Select Committee on Floodplain Harvesting (Dec 2021)**<sup>3</sup>, (**Finding 11**) states that the NSW Government has failed to meet its obligations under the Murray-Darling Basin Agreement by allowing the unchecked growth of unregulated floodplain harvesting extraction to volumes well in excess of the 1994 Murray-Darling Basin Cap.

This practice currently allows those benefiting from this practice to access 'free water' outside of their water licensing allocations, a practice not afforded other irrigators.

The Select Committee report into Floodplain Harvesting contained varying estimates of annual floodplain harvesting volumes, up to an annual average of 778GL, in the NSW northern Basin. Research, undertaken by Dr Matthew Colloff, Australian National University, states that floodplain harvesting storage capacity has increased from 557GL in 1993-1994 to 1,393GL in 2019-2020, giving an insight into the scale of floodplain harvesting and the potential for further significant contribution towards environmental targets.

In 2019-20, NSW exceeded the surface water Sustainable Diversion Limit take in the Barwon-Darling system by 32%, at a time when Menindee Lakes held as little as 5.1GL and there were zero flows to the Lower Darling River. This practice places increased pressure on the Murray system to meet downstream water needs and places the sustainability of permanent plantings in the Lower Murray at higher risk.

The SAC supports the provision of additional storages across the Basin, however storages which are measurable and accountable, within SDL limits and distributed in a fair and equitable manner across all users including for the environment.

### **Barmah Choke**

The Barmah-Millewa reach is a naturally occurring narrow section of the River Murray where it flows through the Barmah-Millewa Forest, from Tocumwal in NSW to Barmah in Victoria. Currently it has a flow capacity of around 9,200 ML/day.

The volume of summer flows that can get through the Barmah-Millewa Reach is declining significantly. This is due to the accumulation of more than 20 million cubic metres of sand in the reach. The sand was mobilised during gold mining and land clearing practices about 150 years ago, with de-snagging and river regulation also contributing factors.

The sand will not flush through as its heavy and the Barmah-Millewa Reach has the lowest flow capacity of any stretch of the river. Volume of flows through the Barmah-Millewa Reach is estimated to decline by about 10% over the next 10 years, meaning an increased risk of not being able to deliver water to communities below the choke, where and when they need it.

More than 58,000 ha (73%) of crops in the Victorian Mallee are permanent plantings which require a secure and reliable water supply. The declining flows through the Barmah Choke are increasing the risk of both delivery and supply shortfalls to these crops.

Current estimates forecast an 80GL shortfall in the next 10 years if nothing is done. This represents a cost to agricultural production of \$230m per year.

The MDBA undertook the Barmah-Millewa Feasibility Study<sup>4</sup> to determine how to halt the decline in flow capacity and reverse its effects. It recommended a multi option approach which would potentially restore flows above 10,000 ML/day. This was presented to the state Ministers in February 2023 and resulted in additional funding to further plan the project.

Whilst we understand that planning and costing of these options is progressing, time is critical with ongoing declines in flow and immediate action is needed.

Thank you for the opportunity to put forward our thoughts on behalf of the Sunraysia irrigation community.

Yours sincerely,

Frank Dimasi  
Chair, LMW Strategic Advisory Committee

**References:**

<sup>1</sup>[\*Frontier Economics Social and economic impacts of Basin Plan water recovery in Victoria.\*](#)

<sup>2</sup>[\*Murray Darling Basin Authority 2021-2 Sustainable Diversion Limit Accounts – Register of Take\*](#)

<sup>3</sup>[\*Report no.1 NSW Legislative Council Select Committee on Floodplain Harvesting \(Dec 2021\)\*](#)

<sup>4</sup>[\*Barmah-Millewa Feasibility Study – December 2022\*](#)