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PUBLIC SUBMISSION TO
DEVELOPMENT OF SUSTAINABLE DIVERSION
LIMITS FOR THE MURRAY DARLING BASIN
MURRAY DARLING BASIN AUTHORITY ISSUES PAPER
BY
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[material omitted]

Western Murray Irrigation Limited (WMI) is an infrastructure operator that services the irrigation districts of Buronga, Coomealla and Curlwaa in Southern New South Wales. WMI is a privatised corporation where its irrigator members are its shareholders. WMI irrigators have been active in the permanent water entitlement market for many years. As part of the NSW water-sharing plan, WMI irrigators provide 3% of their allocation to the environment each year and as a result water allocation to their entitlement can never exceed 97%.

WMI supports the submission prepared by the National Irrigators Council but provides a summary of points that most concern WMI.

Complexity of the Issues and Timeframe

As a general comment, WMI found the issues paper difficult to read and understand and the paper highlighted the enormous task ahead of the Authority to present a basin plan with a realistic sustainable diversion limit in a short period of time. Our basin communities, the people who derive their livelihood from the basin and the environment **deserve** the process being given adequate time and resources to develop a plan where every stone has been turned over and every option analysed.

The MDBA must seek an extension of time from the Minister now.

The Number and the Burden

WMI accepts the Basin Wide SDL will be set at below the current level of use but does not accept a number that would decimate basin communities.

Percentage reductions of between 5% and 40% of consumptive use are being openly discussed in our community. The higher end of this range would end the livelihoods of many irrigators in the WMI region.

The burden of cuts must be shared between users and the environment and must be acceptable to the community. Any cuts will only be acceptable if all communities are treated fairly and there are long-term benefits for Basin viability.

Consultation Process

The consultation process has started. WMI to date has had the opportunity to attend a road show (run by DEWHA) in Mildura where questions could be asked about the Plan. WMI places great expectations on the MDBA taking note of the submissions to the sustainable diversion limits paper and communicating changes in their approach as a result of the submissions. At the back of the National Irrigators Council is a list of areas of work the MDBA is to complete. As these are ticked off by the MDBA the community should be advised.

Critical Questions

It is also understood a number of critical questions were raised at the key stakeholder and government and science forums held the week beginning 14 December. WMI has found it hard to make informed comment in a short space of time in the issues paper when there are no public answers to questions such as the definition of “key.”

The questions raised are common across the basin and as they are answered should be communicated. The questions of most interest to WMI are:

- **How will the MDBA balance the needs of the environment and the community and optimise the social, economic and environmental outcomes of the plan?**
- **Which areas of the Basin will receive attention in the economic and social assessment and isn't it too late to assess the implications after the SDL is set?**
- **What is a key environmental asset and define the terms protection and restoration and “without compromising the key environmental asset”?**
- **What happens between 2011 and 2019 in terms of transition with different timeframes of implementation for each State?**
- **Does the environment expect the same amount of water each year under the preferred climate forecast model?**
- **Will the SDL undermine individual property rights and how will the integrity of existing entitlement be maintained?**
- **How will individuals be compensated for loss of livelihood and property value?**
- **If the proposed SDL and its framework was implemented during the past ten years of extreme drought would consumptive use have received anything?**
- **Why can't the Environmental Water Holder use the water market (post meeting its \$3 billion water buyback target) to meet its environmental needs rather than permanent allocation reductions in systems where there is an active market?**

Productivity Commission Assessment

WMI concurs with the Productivity Assessment “The Commission has some concerns about the way the limits are being determined. While good science is clearly important in setting sustainable diversion limits, so are the tradeoffs between consumptive uses and the environment; more water for the environment means less for irrigating crops or for urban uses, and vice versa. This way of allocating water between environmental and consumptive uses does not take into account community preferences, the opportunity cost of water or the role of other inputs such as land management”.

Water Resource Plans

The water sharing plans are clearly defined in NSW but not in Victoria. Victoria has bulk water entitlements not water resource plans. Victoria has developed recently its Northern Region Sustainable Water Strategy that deals with many of the policy issues addressed in the water sharing plans in NSW. WMI is very uncomfortable with 2014 implementation of the SDL's in NSW and 2019 implementation of the SDL's in Vic.

Assessment Timeframe for the Plan

The suggested assessment timeframe to review the impact of the Basin Plan is after 5 years. WMI suggests this timeframe is too long and should be shortened. The transition period for each State will add to the complexity of assessing the plan for the Basin as a whole. As WMI is an infrastructure operator having to respond to numerous external information requests if the MDBA needs specific information this should be co-ordinated with the other agencies already requesting information.

Double Dipping for the Environment

The issues paper describes environmental needs, eco system needs, salinity management needs and the productive base needs. All of these needs are not mutually exclusive and there appears to be a real risk of double dipping.

The productive base definition which ensures there are enough dilution flows to ensure water quality is suitable for drinking is confusing and at odds with what an irrigator would term a productive base being food production using irrigation water.

Critical humans needs water needs to be separated from the environmental water.

Normal system losses by way of evaporation and seepage must also be accounted for in the environmental needs.

Authorised Take

WMI does not agree with including water theft in any “take” definition.

Unmetered types of take where a number is more or less estimated by models and landholders is also fraught with danger.

Water take in the first instances should be licenced and in the second instance metered. The metering projects being undertaken in each State should assist in calculating a more accurate take.

It concerned WMI that the MDBA need to determine how different types of take will be limited by the SDL's. The take should be determined by the State allocation process using “property right” entitlements. This will include the water owned by the environmental water holder.

SDL Framework

WMI supports the SDL as a percentage of the available pool in any given year after critical human needs volumes are removed.

The environment cannot have access to the same amount of water each year and must ebb and flow with the flood and drought cycles.

The current caps should be used as a starting point.

Environment Water Delivery and the List of Environmental Assets

WMI is concerned that summer flow restrictions may be imposed on consumptive use to facilitate environmental flows. This would have detrimental consequences for all permanent plantings in the valley and seasonal water requirements must be taken into consideration.

WMI understand a funnel approach is to be used to identify environmental assets. Local areas should have the chance to comment on asset relevant to their catchments.

Many environmental assets have wasteful delivery systems and further infrastructure expenditure to maximise the environmental flows may be needed. The efficiency of water delivery to the asset must be one of the criteria used in assessing the list of assets.

Science – Peer review, State and local knowledge

WMI supports the peer review of all the “best and available” science to be used in the determination of the SDL. Local and state knowledge should be included in the science.

Interpretation of the Federal Water Act

WMI understands the MDBA must take a literal interpretation of the Act as it is currently written. If it needs changes to reflect a more economic focus rather than an over emphasis on the environment this should be considered.