

**Lower Murray Private Irrigators Assoc.
PO Box 115
Murray Bridge
Sth Aus 5253**

Review of the Operation of the Cap
Project Manager
Dr Tony McLeod
Murray Darling Basin Commission

7 August, 2000

Submission to Draft Review of the Cap.

Dear Tony,

The Lower Murray Private Irrigators Association draws its membership from irrigators who divert water from the River Murray through metered pumps to irrigate, citrus, vegetables, vines, nuts and fodder crops. Our region within the Murray - Darling Basin extends downstream from Blanchetown to the Murray Mouth. As irrigators at the "bottom end" we know, all too well, the impact of low flows. In recent times reports of flooding in the upper regions of the basin and prediction of high flows in our region do not eventuate. In fact, on occasions, the river has ceased to flow at all for extended periods resulting in the Murray mouth silting over.

We recognise the water in the basin is a finite resource and therefore support any programs which bring about orderly development and long term security of investment.

It is our view that if there were no cap on diversions then there would be no security on either existing water use or an existing development due to chaotic and uncontrolled diversions continually taking place. In fact whole communities, their regional economics and social infrastructures could be put at risk. Far from reducing development opportunities, we believe that the cap reinforces confidence in sustainable development.

We believe the cap has made a positive contribution to water as a tradeable asset. As the hurdles to water trade between regions are overcome and water assumes a comparative price, then we will experience the most economically sustainable and efficient uses. This would not occur without the cap.

It would seem that most users of water from the basin, whether rural or urban, feel that their own consumption is so minimal that it has no effect on the basin as a whole considering the volume of water that flows past them. However, as stated earlier the high flows could become trickles or even no flow at all at the bottom of the system. Therefore, in an uncontrolled, unregulated environment some users could be seen as a source of aggravation to the problems of other communities and groups. The cap can alleviate these tensions between users by assisting with a total catchment management policy agreed by all stakeholders.

In summary we believe maintenance of the cap will provide

- ◆ Confident investment
- ◆ Secure development
- ◆ Secure water allocation ownership
- ◆ Tradeable asset with a commercial value

- ◆ Increased efficiency incentives
- ◆ Healthier river system
- ◆ Lessened social tensions between users
- ◆ Better total catchment management.

We therefore strongly support maintenance of the cap and urge the Commission to finalise the arrangements under Schedule F.

Sincerely,

Terry Daniell
Secretary LMPIA