Review of the Operation of the Cap
“Draft Report”
Comments
Closing 10th July 2000
INGLEWOOD SHIRE COUNCIL

Review of the Operation of the Cap
“Draft Report”
Comments

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In response to the invitation for comment on the draft report please consider the following issues when finalising water management legislation and guidelines:

**Input to Date**

Submissions to the review to November 1999 are very narrowly based with one (1) only submission from a Queensland-based stakeholder submitted based on only one ground with that being ecological sustainability. Queensland to date has had little to no input.

Council considers that the input and discussions to date has been heavily weighted in favour of the southern parts of the Murray Darling Basin. Therefore, Council welcomes the opportunity to raise issues from a Queensland perspective and from the perspective of being geographically located in the upper reaches of the catchment and in an area that is largely not developed to its irrigation potential.

**Overland Flow**

A guarantee of landholder rights must be retained within any new system that is implemented, not only the rights of irrigators but also those landholders rights who are located off the river systems. These particular landholders must retain some rights to the overland flow of water, as that water does not solely belong to those property owners located along the rivers in Queensland or other rivers further downstream.

The equity of all stakeholders must be considered amongst all people when considering landholders and each sector’s rights to the use of the water.

**Current Levels of Allocation**

A vitally important issue is to at least preserve access at the current levels. In fact, Queensland may need to increase its diversion of water once the full findings of the studies into the hydrology and the health of the river systems are completed.

It is Council’s understanding that no extensive work has been done to ensure sustainability of the current allocations, especially in the
lower reaches of the basin where large sector irrigation development has been allowed/encouraged to occur.

Until such work is completed it is most difficult to draw a line in the sand with allocations, as the current levels of water use in developed areas may not be sustainable in the long term. This is already evident in some regions experiencing land degradation, salinity and lower production returns. This finding is supported by the Autumn 2000 National Competition Council discussion paper “Rural Water Reform” which states:

“Overuse and mismanagement of our water supply has left much previously productive land and many of our rivers, streams and groundwater aquifers in a damaged and precarious situation.

Dry land salinity, caused by rising water tables (as a result of land clearing and excessive irrigation), can make farmland unusable. Salty water in rivers and streams harms native fish and wildlife and will eventually make the water unsafe for drinking and useless for crop irrigation.

In the Murray Darling Basin, salinity has affected over two million hectares of productive land and threatens regional towns, roads and bridges.”

Inglewood Shire Irrigation System – Underdeveloped

Conversely, the new arrangements must also consider that areas such as Inglewood Shire are largely undeveloped irrigation areas especially along the Macintyre Brook and less so along the Dumaresq River. The new allocation system should be flexible enough to not only take into account seasonal changes, but also flexible enough to allow for areas such as Inglewood Shire to develop its irrigation infrastructure and not chop off its emerging potential. Purists can point to the current allocations and current usage levels however the equation is much more complex than that simple view. For instance, consideration must be given to the restructure process that many irrigators had to go through when moving away from a very intensive crop such as tobacco, to less intensive crops such as the emerging lucerne, peanut, olive and vegetable crops. Farm sizes, labour markets, on farm infrastructure, machinery and economic markets all had to be revisited, altered, remodelled, financed and implemented to allow for that change. Council had recognised some four years ago, that this process
required facilitation and has committed considerable resources and funds into the economic redevelopment of the shire over this time.

Results are now only beginning to emerge, therefore it is imperative that this process not be adversely affected through legislative inhibitors in an area which has a healthy river valley system, has under-developed irrigation systems, can sustain long-term growth and is emerging as a long-term small cropping alternative to many areas which have been allowed to become over-developed. Council is by no means saying to take an open slather approach, quite conversely, it is supportive of an implementation method for Caps which takes into account the existing and future long-term health of our river systems. As stated earlier, this may mean that some areas that are now heavily developed, are not ecologically nor economically sustainable in the long term and as such, the allocation within those areas may need reducing with areas planted out under native vegetation to bring back the health of the river valley in that particular area.

The adopted method must ensure that implementation occurs so as to optimise outcomes for rural industries, development and the environment. To rigidly fix an allocation system implies that new technology and research into new crops will not occur, that everything will remain the same and that those areas who can pay more will get the use of the water in simple terms. Of course, there will be technological advances with irrigation systems and scientific breakthroughs with hybrid and alternative crop species. The implementation of the system must allow for these changes as and when they occur. The current model is a broad tool and it needs to be able to be reviewed, monitored and amended, as needs change.

**Socio-Economic**

As stated, the proposed model draws a line in the sand to restrict levels of diversion whereas the Queensland model is based on a study into hydrology and river health. Therefore, more work needs to be done to ensure the southern areas of the basin are in fact, sustainable at their current levels.

Implementation of the Cap must be carefully monitored to ensure restrictions and guidelines imposed are appropriate over the longer term. Continued monitoring to ascertain if restrictions need to be
changed must form a part of the implementation process. This does not imply that restrictions must be made more stringent. In fact, in some areas they would be relaxed further given the results of the feedback and monitoring of the particular river valley’s health.

Water trading must take into account the protection of local economies and not just be based on the simple notion of the highest bidder as in effect; one person could realistically purchase all of the water. This is an extreme view but it helps to illustrate the dilemma that rural areas would face as most life and vitality of economies are based on water. Whether that be the water views, scenic valleys, irrigation areas, stock or drinking water, the importance of water to an area’s survival and growth cannot be taken lightly.

Whilst supporting the general concept that allows the most viable crop to be grown through water trading, the concept must be tempered by the health of existing rural economies and therefore the geographic extent of water trading must be limited not only from a view of limiting water loss, but also from a view of obligations to existing rural communities.

As mentioned earlier, although the Macintyre Brook has been relatively slow on the uptake of developing its irrigation base, it is in fact developing. Thought must also be given to the fact that development of an irrigation property is a costly exercise and that historically banks and the property owners are conservative and as such the move has been slow as the need to establish confidence had to be built over time.

For socio-economic reasons, which are particular to our area, it is recommended that during the next ten- (10) years, that no more than ten percent (10%) of the allocation be permitted to be permanently traded downstream. This of course, is offset by temporary trading which would be allowed on a year to year basis from the pool system established by irrigator groups within our area.

Local Management

It is imperative that local people be allowed to determine trading rules which suit it. Council supports trading rules being determined at the local level with local people not those based in regional or capital centres who are unable to appreciate the many factors on the
ground which must be considered rather than just applying a numbers game.

Local Government must also play an important role in the local management of trading rules and water management as it has a broad focus and in particular, local government in Queensland has been given the charter by legislation in the LGA 1993 to address a wide range of issues:

- Arts and cultural development;
- Economic development;
- Environmental management;
- Housing policy;
- Infrastructure development, maintenance and replacement;
- Population change and development;
- Regional cooperation between local governments to respond to local and regional issues; and
- Foreseeable future issues relevant to the area.

The wide scope of responsibility given to local government through not only the Local Government Act but also other legislation such as the Integrated Planning, Environmental Protection, Rural Lands Protection and Land Acts, are an indication of the involvement of local government in land, water, resource and socio economic management of local communities. Local Government in Queensland does play a major role in local and regional issues and therefore it must have major input as its charter is to maintain common equity amongst all people.

**Equity**

To obtain sustainable rivers and the cooperation of all stakeholders, the approach must be one of encouragement, communication and education blended with legislative control.

Equity implies the even application of or sharing of resources/concerns in a manner which relates directly to the source. With this in mind, Council supports the sharing of environmental responsibility on the basis that Queensland is not expected to share
full environmental responsibility for actions taken in the past or in the future in NSW and Victoria. If these areas have had an over allocation in the past and are the cause of environmental damage, then it stands that the upper reaches of the basin catchment should not bear the responsibility of contributing to the remedy if they are not part of the cause.

As stated earlier in this submission, it is recognised in many reports and well known that both Victoria and New South Wales have extensive irrigation systems developed and have a substantial amount of environmental problems, whilst areas like Inglewood Shire have ample scope for the further development of irrigation areas and very few environmental concerns. Therefore it is recommended that the areas which contribute to the cause also contribute to the remedy in an equitable manner. Not all environmental flows should be expected to come from one particular area but rather a system devised from hydrology studies to in turn, calculate what amount of environmental flow should come from each area within the Murray Darling Basin, in an equitable manner.

Equity in effort should also be encouraged and also, those who put in extra effort should be rewarded. This concept can be further advanced and is already partly in place in Queensland with subsidies available through the Department of Local Government for water reuse schemes. Not only do such schemes take less water from the river systems for town usage, the schemes also contribute environmentally to the health of the river system by removing pollutants from sewage water and allowing that water to be reused to in turn beautify town areas with the establishment of vegetation and, most importantly, trees.

Financial acknowledgement should be provided to those local governments who put in the extra effort for the early uptake of water reuse schemes, as it is through such proactive action that any environmental concerns are embraced.

Summary

In summary, Council respectfully requests that the following issues be addressed in the formulation of water management legislation and guidelines for the Murray Darling Basin:
• Caps has to be flexible and implemented at the local level by local people.

• Environmental issues must be addressed in an equitable manner with emphasis on responsibility to apply to areas in a two-point manner, namely cause and remedy. Areas must be responsible for their own actions past, present and future.

• Socio-economic protection of areas and in particular smaller areas within areas. This process must be an integral part of the overall water management process.

I thank you for the opportunity to comment on the draft “Review of the Operation of the Cap” and look forward to continuing the further development and progression of our recommendations with your organisation and other key stakeholders.