



National Irrigators' Council

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Mr Philip Glyde
Chief Executive
Murray Darling Basin Authority
GPO Box
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Dear Mr Glyde

Re: SDL Adjustment Mechanism draft assessment

National Irrigators' Council (NIC) appreciates opportunity to provide input into the SDL Adjustment Mechanism draft assessment which reflects the Murray Darling Basin Authority's confidence that through a suite of projects nominated by the states, 605GL of water can remain in the river system while at the same time ensuring that environmental outcomes can be achieved.

On the basis of the assurance that this will mean no further recovery is necessary in the Southern Basin, NIC supports the 605GL proposal.

We do recognise that there is a great deal of work to be done on the detail of projects and that during that process there will be specific issues that will require extensive consultation with all affected and interested parties. It is critical during the next stages of the process that full consultation does occur and that the State Governments have the flexibility to adjust projects depending on performance and impacts.

It is recognised that current stage involves an estimate of a total SDL adjustment figure and a decision which approves the overall total and not the detail of each project. It is very important to lock that total in and NIC supports the 605GL amendment being made to the basin plan's SDL figure.

This would be consistent with the plan as agreed by the Parliament and basin states in 2012.

More broadly as part of the implementation of the Murray Darling Basin Plan, we are pleased to note that the Authority estimates that the contracted water recovery in the Murray–Darling Basin, as at 30 September 2017, is 2,106.5 gegalitres (GL), which is 76.6% of the way toward meeting the 2,750 GL surface water recovery target outlined in the Basin Plan.

1. Emphasise issues or opportunities that the MDBA or Basin governments should be aware of in determining the next steps for the Sustainable Diversion Limit Adjustment Mechanism projects.

As indicated above it is a critical part of the agreed basin plan to lock the 605GL with the undertaking that it means no further recovery in the Southern Basin. NIC would emphasise that the alternative – recovering 600 plus GL of water from Southern Basin irrigators – is untenable and would effectively remove any community willingness to participate in the plan.

NIC believes that, even though the basin plan has already been very tough, the best chance of providing positive long term environmental outcomes, and certainty for irrigation communities, is to see it through to conclusion. We note from the work the MDBA has done that if this critical part of the process was to fall over then the recovery targets left in the key irrigation areas of all three states would cripple several communities and would be likely to result in the plan failing.

Thus, the current step leading to the Minister signing off on (and Parliament not disallowing) an amendment to the plan is absolutely critical to the overall achievement of basin plan objectives.

NIC understands that aspects of the basin plan as approved by Parliament are quite restrictive, however, we would urge that this process be undertaken with the maximum possible flexibility, with extensive consultation and with an ability to refine assumptions based on solid evidence.

Feedback from our members continues to highlight concerns in relation to baseline modelling and assumptions, which in some cases are not thought to be realistic. NIC notes also the work of the “Blackmore” review which questioned benchmark models and limits of change calculations. NIC would agree with the Blackmore review in its comment that there needs to be a much greater focus on outcomes, rather than numbers.

In general, we encourage broad, deep and transparent consultation with local landholders who are most likely to be affected, and who have long held knowledge of the behaviour of river systems in the region and flow capacity during certain periods. The promised principles of ‘localism’ and ‘adaptive management’ must be applied here.

NIC makes the following points in relation to the suite of projects put forward, in line with our long-held views and underpinned by our agreed principles:

- There must be genuine and effective engagement and consultation with local communities, committees and landholders during all phases of development of the projects.
- We support maximum use of environmental water which may result in achieving environmental outcomes and benefits including achieving offsets with less water.
- There must be no negative third-party impacts on reliability or availability;
 - potential negative impacts must be compensated or mitigated through negotiation with affected parties.
- We do not support any diminution of water property rights; they must be protected or enhanced.
- Characteristics of water entitlements must not be altered.
- During the development of, and consultation on, constraints projects, there must be a full examination of any potential broader impacts across the Basin.
- We do not support any compulsory acquisition of easements or any other private property

This submission will generally not comment on individual projects as they will be considered in detail as the process proceeds.

We do, however, make some specific comment on constraints.

We note the observations made regarding the benefits of relaxing constraints in terms of better delivery of water for the environment when and where it is needed to maximise environmental outcomes, including opportunities for environmental watering of large areas of floodplain in New South Wales, Victoria and South Australia. Other benefits noted include potential to improve the capacity of other supply projects to achieve their intended environmental outcomes.

NIC recognises that addressing constraints is critical to the ability to achieve the basin plan’s flow objectives in many areas. It is also an emerging issue for the delivery of irrigation water in some parts of the Murray.

There are, however, significant challenges and it is vital that these be addressed thoroughly and that having done so, a realistic assessment of what is physically possible is made.

In correspondence to the Minister my predecessor provided a detailed assessment of the flow rates experienced in recent flooding and what that equated to as it flowed past the South Australian border. That assessment clearly raised concerns about whether flow rates of 60,000 to 100,000 ML/day at the border are physically able to be achieved and whether that could come at a reasonable cost to up-stream communities (ie cost in terms of human suffering, economic activity, infrastructure etc). NIC is happy to provide that detail if required.

Let me make it clear that this comment is not made to be obstructive. It is made to point out that there are verifiable facts on flooding and to encourage basin state Governments to make realistic and practical assessments.

We have also previously highlighted issues that must be dealt with appropriately and comprehensively for constraints removal in various parts of the Murray system. While it is appreciated that it is necessary to address constraints it is also necessary for all Governments involved to recognise that they are dealing measures that can impact negatively on people, communities, livelihoods and critical infrastructure. Some measures to achieve down-stream targets could also produce negative environmental impacts in up-stream rivers if they are not properly considered.

NIC notes commitments in the assessments which say that there will be consultation with communities on mitigation options to address unacceptable impacts and that landholder acceptance is critical. This commitment must be mandated, it must be thorough and it must be genuine.

2. Provide input that can strengthen the implementation of the Adjustment Mechanism projects.

Comments above have covered this topic.

3. Highlight any other issues or themes.

Recovery of capital and operating costs

NIC would like to briefly highlight the fact that a number of projects will involve capital expenditure and ongoing operating costs. It is critical that these costs are not unfairly passed on to irrigators. In determining operating costs for the system there needs to be a very clear separation between infrastructure which benefits or enables irrigation and infrastructure that has a broader environmental / community benefit.

Ensuring good information flows

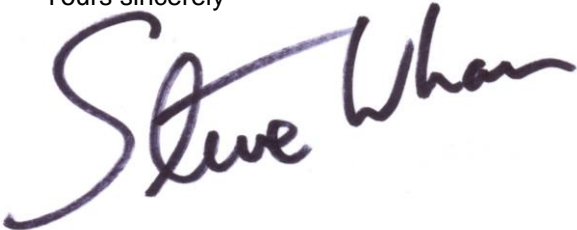
It is critical that in developing projects we see an open and transparent process with extensive consultation. It is important to avoid misunderstandings or misrepresentation as the process proceeds. In this context NIC would make a brief comment on the proposal to reconfigure Menindee Lakes.

This is a project which has a long way to go before it is undertaken however it is very clear that it is already battling significant misinformation. From an irrigators perspective it needs to be made very clear to the public and the media, that reconfiguring the Menindee lakes is about saving water from evaporation. Water saved will not be available to increase irrigation in the Northern Basin as has been claimed by some. It is very clearly about delivering more water down the lower Darling benefiting primarily South Australia.

NIC is concerned that if this project does not come to fruition it will mean a significant amount of additional water will need to be recovered from the NSW Southern Basin. We acknowledge that there is much detail to come and some legitimate questions to be answered, however it also appears there is opposition to be project being generated via misinformation and this needs to be avoided.

Thank you again for the opportunity to make comment on this process.

Yours sincerely

A handwritten signature in dark ink that reads "Steve Whan". The signature is written in a cursive, flowing style with a large initial 'S'.

Steve Whan
CEO