



The Goulburn Valley Environment Group Inc.

Po Box 2073 Shepparton Vic 3632

e-mail terryct@bigpond.net.au

28 September 2017

Senate Standing Committee on Rural and Regional Affairs and Transport. Inquiry into the integrity of the water market in the Murray-Darling Basin

On behalf of Goulburn Valley Environment Group (GVEG) I thank you for the opportunity to make a submission the inquiry into integrity of the water market in the Murray-Darling Basin.

GVEG now provides comment as follows:

1. Allegations of theft and corruption in the management of water resources in the Murray-Darling Basin

It is abundantly clear to GVEG that Basin Plan implementation has been heavily influenced by vested interests. There has been and continues to be an unhealthy close relationship between Ministers, government departments and the MDBA on the one hand and irrigator interest groups on the other, while other interests, including the environment organisations have been excluded.

GVEG as part of the Lifeblood Alliance believes environmental interests have been disadvantaged by restricted access to the Murray Darling Basin Authority (MDBA), State Governments during the Northern basin review and Basin Plan. This appears to be in stark contrast to access afforded to irrigator interest groups and others by the MDBA, Ministers and government departments.

GVEG is also concerned with the trending composition of the MDBA Board, believing it critical that this Board maintains a diverse mix of expertise and political independence. Recent appointments with close links to irrigation interests at the expense of scientific expertise has resulted in an unbalanced and potentially biased Board. With State and Federal Governments entitled to nominate board members, together with the Federal appointment of the Chair and Chief Executive, there appears to be no oversight to ensure the independence of the MDBA Board.

2. Investigation and public disclosure by authorities, including the New South Wales Government and the Murray-Darling Basin Authority, of reported breaches within the Murray-Darling Basin, including the Barwon-Darling Water Sharing Plan

Breaches of Water Sharing Plan rules have been well known to the MDBA and the NSW government prior to and during the Northern Basin Review. The MDBA has also been well aware of the NSW government failure to provide adequate 'shepherding' rules to protect environmental water in the Barwon-Darling.

3. Actions of member states in responding to allegations of corruption and the potential undermining of the Murray-Darling Basin Plan

The NSW government has changed the rules for irrigators upstream – cotton growers north of Bourke – allowing them to pump more water out of the river, including environmental water originating from Queensland, and store it in huge private dams, leaving the lower Darling high and dry.

The flawed Barwon-Darling 2012 water sharing plan was accepted by the MDBA in full knowledge of its shortcomings. NSW's failure to implement shepherding provisions for the protection of environmental flows over this same period has also gone unchallenged by the MDBA and other States.

The NSW government must change its rules so that environmental water can get down the Darling, and make it illegal to pump the river dry upstream of Bourke. The current situation is threatening the whole success of the Murray-Darling Basin Plan in restoring the Darling and the Murray Rivers to health

4. Use of Commonwealth-owned environmental water for irrigation purposes, and the impact on Basin communities and the environment

Increased pumping and the extraction of Commonwealth-owned environmental water by irrigators upstream of Bourke means that less water is getting through to Menindee Lakes and the Lower Darling, and hence to the Murray, Victoria and South Australia. This is having serious consequences for the lower Darling environment, water users and Aboriginal people. Their concerns have been extensively reported in the media, Northern Basin Review submissions and elsewhere.

What is less understood is the impact on Victoria, South Australia and other catchments in NSW. Under the Murray-Darling Agreement, inflows to the Menindee Lakes are shared equally between NSW and Victoria and contribute to both state's supply to South Australia. However when the volume in storage in the Lakes falls below 480GL, control of the water reverts to NSW for local use and Victoria has to find more water in the Murray system to supply to South Australia. This has an impact on the reliability of irrigator water shares, and on environmental entitlements, as there is less water in the pool. NSW also has to supply more water from the Murray and Murrumbidgee, affecting irrigator reliability in those catchments.

To date no Basin state or the Commonwealth has undertaken an assessment of the impact of excessive extraction in the Barwon-Darling on downstream users, irrigator reliability or the environment. This is a glaring omission.

The Lower Darling is worse off now than prior to the Basin Plan with increased pumping and the extraction of environmental flows by irrigators upstream of Bourke. The capturing of these environmental flows in the Darling River directly impacts the environment, all communities and those States sharing the Menindee Lakes resources.

5. Operation, expenditure and oversight of the Water for the Environment Special Account

Communities along the Goulburn River have been part of a feasibility study on Goulburn constraints. These MDBA funded consultations which have taken place over several years and handed over to the Victorian Government for finalisation have resulted in a current proposal that fails to achieve out of bank flows and connectivity to the thousands of wetlands and depressions targeted in the Basin Plan. There is little to show for a major expense of Federal funding.

The buyback of water rights from willing sellers is by far the most effective use of taxpayer funds to release water to alternative uses.

Other related matters

The recent ABC Landline program highlighting water harvesting and local government planning issues in Queensland also brought into question the purchase of environmental water entitlements by the Commonwealth Environmental Water Holder (CEWH) and on-farm water efficiency programs. Of particular concern was the allegation of new water harvesting works taking place to secure the replacement of water previously sold to the CEWH. Allegations such as these undermine the intent and integrity of the Basin Plan and bring into question the creditability of MDBA.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Terry Court', with a stylized flourish at the end.

Terry Court

Vice President, GVEG

Protecting the environment for generations to come