

*Tendered by Mr Paul Rossetto
Yenda Flood Victims
Association
Received by Claire
Armstrong
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Evidence

Given by Paul Rossetto (former Griffith City Councillor, 2012 - 2016)

To Inquiry into the augmentation of water supply for rural and regional

New South Wales

Opening Comments:

Mr Chairman, The Hon. Robert Brown MLC and members of General Purpose Standing Committee No 5.

Thank you for allowing me the opportunity to give evidence at your Inquiry today.

It is an honour and a privilege to assist you and your committee members and by extension your hard working Government better manage this excellent state I am so proud to be a part as compared to our neighbouring states I see in moral, environmental & energy decline.

I sincerely hope what I say today resonates within your hearts and humbly request your Governments assistance in dealing with the following matters.

Last Council term I had the privilege of serving on Griffith City Council and as one of my last motions with the majority support of my Councillor colleagues moved and had the Griffith City Council supplementary submission commissioned for this Inquiry.

(Source Ordinary Council minutes August 2016.)

My second cap today is as Yenda Flood Victims Association President and I supplied another submission in relation to clauses (d) & (e) of this Inquiry. I also am secretary of the Yenda Progress Association.

I live in Griffith and my full time occupation is Almond grower at Yenda for the past 7 years and prior to that I was a wine grape grower for 28 years. I held positions on the NSW Wine Grapes Marketing Board 92-95, MIA Irrigators Group 95-97, MIA Council of Horticultural Associations 92-97 to name a few committees.

We meet today amidst a town that is buzzing again with activity reminiscent of last century. People are busy working, investing in machinery, leasing or purchasing land and growing crops. Why has this activity come about? Rain, plenty of rain has filled our dams to overflowing and provided full irrigation allocations again. Agriculture is back in business!

To demonstrate the importance of agriculture to Australia I wish to quickly read a couple of paragraphs from yesterday's ABC Business News entitled "GDP forecast Australia set to dodge recession as current account deficit shrinks to 70's levels."

Additional evidence

Inquiry into the augmentation of water supply for rural and regional New South Walés.

That General Purpose Committee No 5 inquire into and report on the performance or effectiveness of the NSW government agencies that are responsible for the augmentation of water supply for rural and regional New South Wales, and in particular:

(a) Investigate the requirement for water equation (demand and supply out to the middle of the century for rural and regional New South Wales.)

Firstly, I wish to acknowledge the excellent Griffith City Council supplementary submission prepared by Booth Associates.

I think the principal consultant, Mr Ryan has demonstrated without a doubt several key points:-

- i) Numerous organisations at state, regional and local level recognise the potential for NSW economic and social growth.
- ii) He established a formula **Yield x Area x Price**
 - a. Yield is increased by increased water availability
 - b. Area is constrained by existing land use & legislation
 - c. Price is subject to global markets and difficult to influence.
- iii) A water equation (supply & demand) is essential in planning future requirements for social, economic and environmental needs.

- increased water availability is the agreed variable likely to lead to success in achieving the 30% growth target.
- Governments failure in planning for sustainable production underpinning social sustainability is apparent. As witnessed last week in Federal Parliament re: the present 450GL debate.
- In contrast just last week the principals of a Water Investment company were in town promoting their water investment products to potential investors.



Business

GDP forecast: Australia set to dodge recession as current account deficit shrinks to '70s levels

By business reporter Michael Janda

Updated Tue 28 Feb 2017, 4:45pm

A surge in commodity prices and exports, as well as reasonable government and household spending, are almost certain to keep Australia out of recession.

Australia posted a 0.5 per cent economic contraction in the September quarter and if the December quarter data, out tomorrow, shows another fall in gross domestic product (GDP) it would put the nation into a so-called technical recession.

The last time Australia had two consecutive quarters of economic contraction was the "recession we had to have", which ended in 1991.

However, aside from the issue of whether such a narrow and rigid definition of a recession is even useful, it now appears almost impossible that Australia will post the requisite second quarter of contraction in the December quarter.

Partial figures that feed into the national accounts have generally been supportive of growth.

In his final GDP forecast ahead of tomorrow's release, CBA senior economist Gareth Aird predicted Australia's economy would expand 0.7 per cent in the last quarter of 2016.

"If correct, the figures will show that the third quarter weather related contraction in output was a temporary aberration," Mr Aird wrote in a note.

That would easily keep Australia away from recession and leave annual growth around 1.9 per cent, barring significant revisions to the third quarter number.

CBA is not alone, with Westpac massively increasing its GDP forecast from 0.4 to 0.9 per cent quarterly growth, and ANZ tipping a 1 per cent expansion.

Although, it is worth remembering that the lowest GDP forecast for the September quarter was 0.0 per cent, and the result was -0.5.

Public infrastructure, household spending, exports up

Mr Aird said the fourth quarter data were likely to see a continuation of recent economic trends.

"Over the past few years, the main contributions to GDP growth have come from household consumption, net exports and dwelling investment," he observed.

"Conversely, business investment has been a drag on growth.

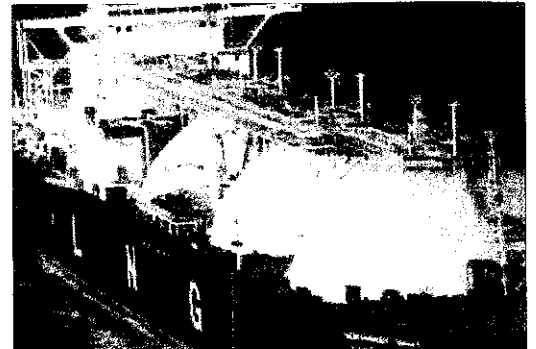


PHOTO: A boom in LNG exports will lift Australia's gross domestic product (GDP).

RELATED STORY: Company profits surge as wages fall

MAP: Australia

Key points:

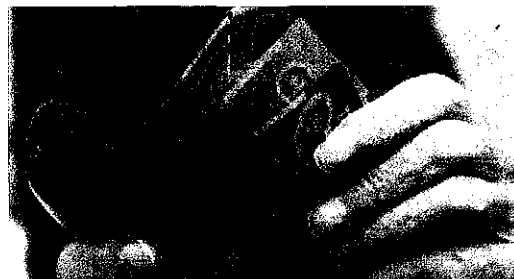
- Economists tip quarterly economic growth around of up to 1pc
- Government infrastructure spending, household consumption and exports to drive growth
- Export surge cuts current account deficit to its lowest level since the 1970s

Australian debt crisis?

"Most of these themes will be evident again in the fourth quarter data."

CBA is forecasting that household consumption will contribute 0.3 percentage points to quarterly GDP, as will public demand (mainly from infrastructure investment), while net exports will add 0.2 percentage points and dwelling investment 0.1.

Conversely, falling business investment will take 0.1 of a percentage point from growth, while a slower growth in business inventories will subtract 0.2 percentage points.



Are Australians about to go through the kind of debt crisis that wiped out the US economy? asks David Taylor.

Current account deficit lowest since 1979

The current account deficit - the gap between Australia's earnings from overseas and its payments to foreigners - fell by around two-thirds to \$3.9 billion.

That is around 0.9 per cent of Australia's GDP and the lowest deficit on that measure since 1979.

Investment bank UBS is tipping that Australia's current account will return to surplus in the first quarter this year for the first time since the mid-1970s.

Figure 1: Trade boom to see current account swing into 1st surplus since 1970s

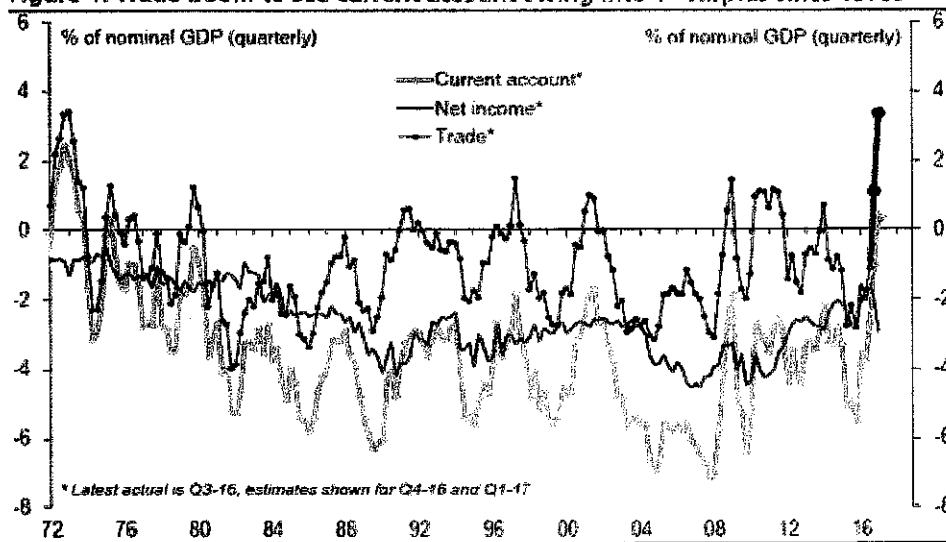


PHOTO: Australia is the closest it has been to a current account surplus since the late 1970s. (Supplied: UBS)

UBS said that is likely to support a higher Australian dollar, and may also help the Federal Government retain its AAA credit rating past this May's budget.

From other news sites:

- **Australian Financial Review:** Trade boom delivers smallest current account deficit since 2001
- **News.com.au:** Soaring trade surplus to boost economy

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Topics: economic-trends, australia

First posted Tue 28 Feb 2017, 1:56pm

b) examine the suitability of existing NSW South Wales water storages and any future schemes for augmentation of water supply for New South Wales, including the potential for aquifer recharge.

Additional to the information provided in the Griffith City Council submission

- there is also the opportunity to divert upper Mirrool creek flood water at Ardlethan via Dry Pan creek towards Lake Coolah at Narrandera. (Source The Narrandera Argus newspaper.)

One of the benefits of diverting Upper Mirrool Creek water to Lake Coolah is the top up affect would counter some of the evaporation losses Lake Coolah is said will suffer from.

- Some property owners adjacent to Mirrool Creek already catch & store flood waters to a point. With assistance these opportunities may be enhanced.
- There are also opportunities for Murrumbidgee Irrigation to increase its on-route storages at strategic locations either along the Main Canal or Mirrool Creek.
- It is well documented Barren Box Swamp west of Griffith fills with flood & drainage water and is available for recycling and resale. When full it contains approximately 100,000 megalitres of water.

c) review the NSW Government's response to the recommendations of the June 2013 report by the Standing Committee on State Development on the adequacy of water storages in New South Wales.

Five quick comments I wish to make regarding this clause.

- i) As an irrigator changing crops from grapes to almonds, my trees require more water than the grapes did. Therefore I have to buy on the temporary market an extra 50 megalitres of water per year to finish the irrigation season. That usually costs me around \$10,000.00 per year. I maintain that the \$10,000.00 spent on temporary water market is money I don't spend locally and therefore impacts local GDP and jobs.
- ii) To Permanently purchase the 50 megalitres required would cost \$175,000.00 and that is money I presently don't have. To borrow the money from a bank would require other forms of equity as banks will not lend on local High Security water entitlements as MI owns the Water Access License (WAL).
- iii) I looked at expanding my almond growing enterprise and decided against it. The exorbitant cost of high security water allocations @\$3500/megalitre are an impediment to new agriculture enterprises.. Using my own almond enterprise as a case study @10 megalitres per hectare this represents an investment of \$35,000.00 per hectare just on water allocation. More than the sum of all other inputs, including land and machinery.
Managing a permanent planting on temporary water allocation purchases is not recommended due to the uncertainty of the weather and impending droughts and the spiking of water markets.
2007 saw temporary water prices in excess of \$1000 per megalitre. Therefore at 10 mg / ha the running cost of irrigation that season would have been \$10,000.00/ha consuming all the gross profit for the season. Given the decrease in available irrigation water allocations available in this decade I foresee temporary water prices exceeding the 2007 price. Personally I will not be investing in any expansion of my agricultural enterprise but looking to jump on the back of inevitable water price spikes and water investment company share prices as the weather will turn dry again soon.

- iv) While the present Federal 2007 Water Act is written the way it is, there is no guarantee that extra storage will provide extra water for irrigation.
- v) It concerns me greatly that when the next drought hits there will be less water available for irrigation given all the water taken out of the system by Governments, Water Investment companies and environmental water. Even though I hold High Security water allocations this did not stop MI in 2007 from commandeering 15% of my high security allocation to distribute to General Security allocation holders. There is now no record of this occurring.
- Government needs to pro-actively follow through its own recommendations thereby providing confidence to irrigation communities living and working and re-investing their time, money and energies into their communities and benefitting this state.

d) examine the 50 year flood history in New South Wales, particularly in northern coastal New South Wales including the financial and human cost

In acknowledging the excellent Griffith City Council submission and Yenda Flood Victims Association Inc. submission written last August 2016 I wish to provide the Committee with an update on the present inaction at the Yenda East Mirrool Regulator (EMR), the source of the devastating 2012 March Yenda Flood that devastated 450 homes, 100 farms, 12 businesses & several public buildings including 3 schools.

Next month on March 5, 2017 it will be 5 years since Yenda was inundated by Mirrool Creek flood waters not being able to traverse a Murrumbidgee Irrigation main canal due to the de-commissioning of cross flow flood gates and the inability of the under canal siphon to mitigate the large extent of the flood. At least a 1:100 ARI (Annual Recurrence Interval) flood.



At Griffith Ordinary Council meeting in December 2016, the new Council resolved to seek a revision of scope of an OEH \$400k grant because the new Council was not interested in proceeding with the Old Council's resolution for a design study for a 1:100 ARI Siphon/flood gates solution as recommended by WBM BMT consultants (source Griffith Main Drain J and Mirrool Creek Flood Study and

Executive Summary

Table E-2 Recommended Flood Plan Options

Option	Estimated Cost	Risk Rating
Yoogali Structural Options		
Levee and Culvert Option - construction of earth embankment/bund along Main Drain 'J', DC 805 'J' and DC 621 'J' and upgrade to culverts on Yenda Road and Bosanquet Road	\$500K	High
Yenda Structural Options		
Consists of a package of measures to be progressively implemented		
Northern Branch Canal Works - localised bank raising along the NBC to provide required design flood immunity relative to design standard of recommended EMR upgrades	\$500K	High
Reinstatement of Decommissioned Flood Gates - initially incorporates appropriate structural/condition assessments to establish the viability of a refurbished structure. A potential outcome of this investigation may be to proceed directly to a preliminary design of a full structure replacement as per the subsequent components of the proposed works package	\$200K	High
Note that this option initially only provides for feasibility assessment. Detailed design and construction costs, subject to option feasibility, are estimated to be in excess of \$2M.		
Preliminary Design of EMR Upgrade (either gate upgrade or Siphon option) - progression through pre-feasibility design and identification of preferred configuration of EMR upgrade to preliminary design.		
<ul style="list-style-type: none"> o Technical support studies - e.g. survey, geotechnical, economic appraisal o Concept design and options assessment leading to preferred option o Environmental impact assessment o Planning Approvals 	\$600K	Medium
Detailed Design and Construction of EMR Upgrade - progression of the preferred upgrade option (e.g. gates or siphon type structure) through to detailed design and construction	\$10M	Medium
Hanwood		
Hanwood Local Drainage Works - construction of earthen bund along the left bank alignment of DC 'DA' and DC 'HANDEPOT', provision of one-way flow structures on DC '0491D' and DC 'HANDEPOT' to prevent Main Drain 'J' backflow, and installation of pumps or suitable alternative to discharge local catchment runoff from behind the bund into DC 'DA'.	\$250K	Medium

*10 Gate
ade.*

The Mayor & General Manager supported by a new caucus of Councillors argued that the 1:100 ARI recommended solution was far too expensive to

consider and preferred a replacement of the decommissioned crossflow gates, providing only 1:50 ARI flood mitigation capabilities.



The Mayor believes he has the verbal support of Murrumbidgee Irrigation Ltd. The General Manager and Director of Utilities believe with written emergency protocols in place they can breach the Main Canal to add a further 1:50 ARI mitigation capability if required. Unfortunately those Emergency Protocols have not been written yet.

Furthermore the notion that a canal breaching protocol can substitute for good & proper flood mitigation planning makes a mockery of the 2005 NSW Floodplain Manual Guidelines.

An Office of Environment & Heritage (OEH) officer, present at the last Griffith Floodplain Management Committee meeting November, 2016 believes Council's request for a revision of the \$400k grant will be rejected by OEH.

Council will then decline the \$400k OEH grant.

Council will then have to reapply for the renovation of the decommissioned flood gates. This process will take another six months.

The State Emergency Services (SES) Emergency Act 1989 provides for the evacuation of Yenda again if another Level 3 Emergency situation arises.

“Water level @ 3 metres and a breach occurs is deemed life threatening.”

Which is what happened in 2012. Inaction on part of Council & Murrumbidgee Irrigation (present management excluded) led to a call by the SES to evacuate Yenda. The cycle is set to repeat itself.

After 4 years of hard work as a Councillor in the previous Griffith City Council term and representative on the Griffith Floodplain Management Committee to say I am feeling frustrated and disillusioned would be an understatement.

From the very first GFPMC meeting, following my election to Council in September 2012, I was prevented from attending the meeting by the General Manager claiming I had a conflict of interest being President of Yenda Flood Victims Association. I complained to the Mayor by lodging a Code of Conduct complaint against the General Manager, Mr Brett Stonestreet and was subsequently allowed to attend future GFPMC meetings.

However, the stalling tactics didn't stop.

In 2013 I lodged a formal complaint to Council regarding Murrumbidgee Irrigation's placement of 200 tonnes of soil in front of the decommissioned flood gates thereby restricting the gates overflow capabilities and therefore illegally blocking a natural water course.

Murrumbidgee Irrigation Ltd was In violation of Division 91D Floodplain management 2000 Water Management Act

(1) A person:

(a) Who constructs or uses a flood work, and

(b) Who does not hold a flood work approval for that work, is guilty of an offence. Tier 2 penalty.

(2) The holder of a flood work approval who constructs or uses a flood work in or in the vicinity of a river or lake, or within a floodplain, otherwise than as authorised by the approval is guilty of an offence. Tier 2 penalty.

and

Murrumbidgee Irrigation Ltd was not adhering to a Crown Lands Reserve Trustee Handbook sect. 6.5.3 water management

“the trust maintains minor flood gates and other water courses in good repair and efficient condition”

Sect 7.1 Maintenance plans, upgrades and development

Sect 7.1.1 A maintenance plan is implemented and monitored over the course of the year.

Sect 7.1.2 This maintenance plan is updated as required.

Sect 7.1.4 Inspection of major infrastructure is undertaken on a periodic basis to identify maintenance needs (including termites inspection)

In 2006-2007 during the millennium drought the soil was placed in front of the flood gates under the auspices of MI management team of Dick Thompson, chairman, Brett Tucker CEO & Rob Kelly, Environment Officer overseeing the \$30M Mirrool Creek beautification project and Barren Box Swamp Irrigation cell construction projects.

I also mailed this information to our local Member, Adrian Piccoli MP to be passed onto the Minister for Police but never heard anything more of it.

Following the 2012 flood, Murrumbidgee Irrigation replaced the soil because it was eroded away by flood waters, but not peaking it up, only compacting it to form a solid bank suitable for irrigation requirements but not flood mitigation.

Further lobbying of Council saw MI forced to remove the soil to allow at least 3 boards overflow capability.

No fines were issued to Murrumbidgee Irrigation Pty Ltd.

Notwithstanding the immunity granted MI under

Sect 733 of the Local Government Act 1993

“Exemption from liability-flood liable land.....

(3) Without limiting subsection (1),(2) and (2a) those subsections apply to (f3) the failure to upgrade flood mitigation works

and

“Irrigation Corporations Act 1994 No 41

Indemnities

Division 75. (1) a person does not have any right to claim to relief of any kind whatever in any legal or other proceeding against an irrigation corporation or officer or employee of an irrigation corporation in respect of any nuisance connected with or in any way arising out of:

(b)the destruction or damage, or partial destruction or partial damage, by flood, storm, tempest or otherwise of a work owned or controlled by the Irrigation Corporation:”

In 2014 Council staff missed an OE & H deadline for funding applications that put our process back 12 months.

In 2015 a General Managers recommendation to the GFPMC meeting asked the committee to decide on a siphon or flood gates solution, when in actual fact the Consultant’s recommendation (Griffith Main Drain J and Mirrool Creek Floodplain Risk Management Study and Plan, executive summary, Table E-2 Recommended Flood Plan Options, Yenda Structural Options page vi, box 4 “Preliminary Design of EMR Upgrade (either gate upgrade or Siphon option)”

This error, either by design or by default proved to be instrumental in the new Council wishing to revise the wording for the OE & H grant approval.

Following September 2016 Council elections, a new Council was elected with a caucus vote and subsequently a new interim Griffith Floodplain Management Committee was installed.

Not being elected to Council I asked for permission to attend the GFPMC 2016 November 24 meeting as a past participant and potential community representative but the Mayor informed me staff advised him against it.

The General Manager’s recommendation to the GFPMC meeting:”

“(ii) That Council make application to OEH to revise the scope of the following funding proposal approved in this financial year 2016/17)”

was to revise the recently, approved OEH \$400k grant

“(OEH letter dated 4 Nov 2016 reference number 2016 – 17 FM – 0050 Yenda East Mirrool Regulator Lawson Siphon – Investigation and Detailed Design. \$400,000.00)”

to recommend to Council that Council request “The NSW Office of OE & H revise a grant of \$400, 0000.00 for a design study of the Yenda EMR with a view to installation of a Lawson Siphon concept structure.”

The new Council’s argument largely revolved around the exorbitant cost of a Lawson Siphon structure with the Mayor suggesting it would cost around \$10M or \$12M or \$20M. I might add there have been no cost surveys done.

Anecdotally, I priced the required pipes at \$2M, Headwalls \$1M, installation \$1M, design \$600k, administration at \$1.5M & contingency \$1M, total \$7.1M.

The Committee never did get the opportunity to price the project.

Secondly, Council’s new found confidence in working with Murrumbidgee Irrigation in mitigating 5 x 50mm winter rainfall events last Winter & Spring through the East Mirrool Regulator decommissioned flood gates & limited under canal siphon by breaching the Main Canal removing 30 metres x 1 metre bank to allow rising flood waters to over top the main canal southern bank and enter Mirrool Creek.

As I stated earlier, the five 50mm rainfall events were only average winter rainfall events, largely contained within the confines of the Upper Mirrool Creek & Lower Mirrool Creek floodway. Barren Box swamp had to be strategically breached to allow surplus flood waters exit west across the natural causeway to One Tree on the Lachlan River.

HydroStorm Consulting analysed the five rain events and referred to them as insignificant in ARI terms. I compared them to a similar rainfall event November 2015 that was calculated in the order of a 1:5 ARI event.

Even so it took two days and several meetings with MI, SES and Council to be able to remove the 3 boards x 8 gates off the top of the decommissioned flood gates during the first of 5 rainfall events in June 2016.

The rain events down Mirrool Creek were satisfactorily mitigated by MI claiming 40% more flood water diverted than in 2012 albeit over a longer time frame, 5 months in 2016 than 1 week in 2012.

MI was able to fill Barren Box swamp full of water potentially worth \$20,000,000.00 at the time. The water market has since collapse.

The main point I wish to make here is one of marginalisation. The Yenda community of 1000 people, compared to 24,000 people south of the main canal don't have enough representation in Council to lobby for an effective solution to their flooding problem.

The misconception stemming from a 2010 Worley Parson Main Drain J report. A completely different urban and irrigation drainage system to that of Mirrool Creek.

“the Main Canal effectively impedes overland flow”

“Augmentation of the subway has the potential to change flood conditions downstream”

“the area has been modelled as a storage basin”

Indemnities provided to Council and Murrumbidgee Irrigation Ltd provide sufficient immunity from prosecution that the two organisations don't have to do anything to fix the problem. If the Northern Branch Canal overtops again like it did in 2012, the SES will evacuate Yenda again thereby relieving Council & Murrumbidgee Irrigation Ltd from doing anything.

- If this is to be the case then the honest thing to do would be to tell Yenda people. They don't need false hope. There will be no solution to your flooding problem provided by Council or Murrumbidgee Irrigation Ltd therefore you are on your own and best be advised to protect yourselves as best you can by either selling and moving, or lifting your home, sand bagging and blocking toilets & drains and taking out full flood cover insurance.
- Or Council through its Floodplain Management Committee do a better job of following the 2005 NSW Floodplain Manual guidelines. Working with OE & H, Murrumbidgee Irrigation Ltd to plan an acceptable 1:100 ARI sluice gates infrastructure encompassing the 101 year old under canal siphon (in case concrete cancer gets the better of it) therefore setting up both the irrigation system and flood mitigation works for the remainder of this century.

e) examine technologies available to mitigate flood damage, including diversion systems, and the scope of infrastructure needed to support water augmentation, by diversion, for rural and regional New South Wales.

Having attended several Floodplain Management Association quarterly meetings and annual conferences I agree with the Griffith City Council submission where it quotes the FMA submission "Current disaster funding arrangements are focused on response and recovery to the detriment of management and mitigation. A ratio of \$10 post disaster for every \$1 spent pre-disaster.

In the Yenda 2012 March flood example. The Yenda township & district incurred \$90-\$100M in flood damages. Council spent approximately \$1M in recovery, State Government rebuilt 2 schools, donated funds towards stabilising a Memorial Hall, contributed \$11M towards gravel road re-sheeting over the Griffith LGA.

To date, very little has been spent on rectifying the decommissioned flood gates and in fact Council wishes to revise scope for a grant for a Lawson Siphon design & feasibility study because it was going to cost Council \$200K (one third contribution) and potentially \$3M (one third contribution) if the flood mitigation works project went ahead.

New electronic switching gear technologies allow the automated or remote activation of sluice gates. Given the complexity of Upper Mirrool Creek catchment with several creeks & runners converging on the East Mirrool Regulator (EMR) site, especially Dalton Runner water using the Main Canal as a conduit electronically automated and remotely activated sluice gates have become the agreed solution to the EMR / Yenda flooding problem.

- WBM BMT consultants recommendation on Table E-2 need to be followed

The only argument is the capacity 1:50 ARI design or 1:100ARI design



Sluice gates also have the big advantage of being easier to install and don't necessarily have to be installed during the narrow 2 month winter maintenance window.

Sluice gates would be cheaper to install than a Lawson Siphon and give MI more control over how much flood water travels down Lower Mirrool Creek.

f) examine social, economic and environmental aspects of water management practises in New South Wales and international jurisdictions, including the following case studies:

i) Broken Hill town water supply/Menindee Lakes system.

ii) South Western NSW water management practises.

iii) North Western NSW water management practises.

Whilst acknowledging Council's submission points and the NSW Government Review I would like to add:-

- i) The Federal Water Act 2007 is ambiguous in that 18 times the phrase 'environmental sustainability' is used without a definition or quantifiable method of achieving that outcome.
- ii) The Federal Water Act 2007, as stated earlier represents a future risk to irrigators in the next political cycle, and or drought.
- iii) The NSW 2014 Water Sharing Plans needed urgent reviewing, should not have been rolled over in their cumbersome and antiquated structure. The plans stemming from 2004 have been usurped by Federal Water Act 2007 and represent a duplication of bureaucracy to the irrigation industry.
- iv) The Broken Hill/Menindee Lakes system management has left a lot to be desired. Firstly the argument that the Menindee Lakes evaporate too much water and therefore NSW can save water by drying them out is farcical. For two reasons:-
 - a. At 405 GL per annum the evaporation is only 30% of the evaporation that the SA Lower Lakes. (Source CSIRO) It's illogical to drain one lake to prevent evaporation only to have it evaporate in another lake to satisfy water sharing agreements.
 - b. According to Water Cycle theory; water molecules never leave the atmosphere as the earth is a closed system but fall as rain somewhere else, usually to the east. In the case of NSW, potentially western & central NSW rural regions.

- v) South western NSW water management practises involving translucent and transparent flows are nothing more than a late tricky bureaucratic grab for more water for the Government to trade (sell) to fill its coffers. Bringing in the question of perceived conflict of interest.
- vi) The statement around forest versus grassland is a red herring and should be ignored.
- vii) An observation in the National water debate between states is that we don't hear South Australia castigating Queensland very often, another Labor state. The Clarence River diversion project recommended by Griffith City Council, if it went ahead would be tremendous for western New South Wales, Broken Hill in particular and for South Australia.
- viii) With regards international treaties and the Ramsar listing of the Coorong I just wonder what the Ramsar Conference would think if they knew they had been misled by the South Australian Government over the history of the southern flows into the Coorong? There is accumulating evidence to suggest the South Australian Government has overseen the biggest environmental disaster in Australia's short white man history.
- An independent international review of history of the Coorong for the Ramsar listing is required.
 - The 31 recommendations of the Leyonjhelm Select Senate Inquiry need to be implemented.

g) the efficiency and sustainability of environmental water being managed by different State and Federal Government departments and agencies.

i) The comment needs to be made “the inefficiency” of environmental water being managed by State & Federal Governments.....

ii) Blind Freddy can see it has been an environmental, social & economic disaster. My point being as an irrigator using drip irrigation for twenty years, monitoring every drop of water I have to purchase and apply to my farm at a profit it goes without saying to see the waste of unmonitored and unmanaged water being let out of the dams causing bank erosion, trees falling in, turbidity, black water events killing fish, flooded farms and lost crops and the evaporation of 1300GL of good fresh water in the Lower Lakes is enough to make me sick. It’s a disgrace.

iii) Water Register; Australia desperately needs a creditable water register. Too many foreign investors own water entitlements impacting on our water market is not good.

Crony Capitalism could be rife within Government advisory committees and the Government would not know it. If companies or individuals held large volumes of high security allocations, surplus to their needs it would be in their best financial interests to advise the Government to restrict water allocations therefore pushing the price up.

- Transparency of water allocation ownership is required.
- Conflicts of Interest need to be disclosed by all advisory committee members.
- NSW politicians and bureaucrats need to get on the same page working for this great state of New South Wales.
- NSW politicians need to learn a thing or two from their South Australian counterparts, because in the last decade the South Australian politicians have had the upper hand.

h) the management, appropriateness, efficiency and reporting of

i) inter-valley transfers

ii) conveyance and loss water

iii) carryover

iv) the management and reporting of the water market,

- i) Inter-valley transfers has become plagued by claims of insider trading. Trading windows of 24 hours leaving out bona-fide farmers. Monday's The Area News reports on a broker buying nearly all available water allocations, putting them in his wife's name and re-selling them to the Murray Valley. He was quoted as saying he drew upon his many years of experience in the water trading industry to successfully make the trade. This sort of behaviour doesn't bode well for an open and honest water market.
- ii) Conveyance and loss water accounts are grossly exaggerated and do not accurately reflect the actual losses incurred. Secondly, there is no evidence that during wet years surplus water is put towards production, hence building up in storages as environmental water.
- iii) Carryover water is a sound planning principle for irrigation farmers having missed out on the spring allocations they have an opportunity to store water over winter in the dams for a secure start to planting in early spring. Unfortunately the same cannot be said for speculators, governments and water investment companies. By carrying over water they can maintain an artificially high price at the end of the season instead of letting market forces determine a price relative to supply & demand.
- iv) The management and reporting of the water market is far from transparent. It's not a free market, more of a hybrid market heavily influenced by 'Government risk'. Decisions or policies that are made at a political whim without any consideration of the social and economic impacts to irrigation communities. Both Governments need to carefully consider the impacts poor water policy is having on MDB irrigation communities in the longer term. Farmers and Businesses can not change as quickly as Government agencies can make a new rule or a water investment company backed by files of water pricing and weather data can make purchasing or selling decisions. It takes decades to build an irrigation community socio and economic fabric. Unfortunately Government risk has brought some of these communities down in a few short years.

j) Any other related matter:-

It is of a grave concern that the major parties and in particular their leaders in both Governments appear oblivious to the impending socio & economic disaster that is inevitable next drought if the 2007 Water Act and NSW 2014 Water Sharing Plans remain as they are.

Both pieces of legislation are biased towards the environment and as such water will quickly become unavailable and too expensive for the majority of irrigators to purchase for crop production. There will however be another exodus of productive water allocations as water prices spike and irrigators sell. Water Investment companies with their deep pockets will be quick to further expand their water allocation portfolios thus taking greater positions in the water industry.

At the very least the Government needs to consider the ramifications of a majority of tradable water allocations ending up in control of water investment companies, government agencies and environmental water holder.

This brings my evidence today to an end. I hope I have helped you Mr Chairman and members of the Inquiry panel in your search for information. I know I haven't provided as many answers as I have problems but as Albert Einstein once said " if I had one hour to save the world I would spend 55 minutes defining the problem and 5 minutes finding the solution".

Thank you again & I hope you are able to keep up your good work in Sydney making this state of New South Wales great!

The End

Paul Rossetto, former GCC Councillor