INQUIRY INTO ADEQUACY OF WATER STORAGES IN NSW

Organisation: Riverina and Murray Regional Organisation of Councils

(RAMROC)

Date received: 2/08/2012



PO Box 3572, Level 3, 553 Kiewa Street, ALBURY NSW 2640

31st July 2012

The Director, Standing Committee on State Development, Parliament House, Macquarie Street, Sydney NSW 2000

Attention: Standing Committee Secretariat

Re:- Standing Committee Inquiry into Adequacy of Water Storages in NSW

The Riverina and Murray Regional Organisation of Councils (RAMROC) represents the interests of eighteen Member Councils in south west New South Wales, which covers an area of 126,595 sq km and has a 2011 ABS Statistics population of 168,643.

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RAMROC Councils welcome the opportunity to make a submission to this current Inquiry by the NSW Standing Committee, because it is widely accepted that the Revised Draft Murray Darling Basin Plan currently under consideration by the Federal and State Governments is an entirely unbalanced, unsatisfactory and unacceptable Plan for the nation's future.

The current draft Basin Plan will substantially cut food production and processing industries in the Southern Murray Darling Basin, which in turn will have serious impacts on rural towns and communities in the RAMROC and other regions and indeed that will further impact on the economy of New South Wales.

RAMROC applauds the strong position which the NSW Government through Minister Katrina Hodgkinson MP has taken in responding to the latest Basin Plan proposals, but there is no doubt that innovative solutions to generate additional water resources into the southern Basin must be found, to ensure the long term future of the region and to sustain our food and fibre production and processing industries.

In representations which RAMROC Councils have made to Federal Government Ministers and to the Murray Darling Basin Authority since the Water Act 2007 was legislated, and in particular to the submission lodged by RAMROC in response to the initial and revised Draft Basin Plans, we have consistently drawn attention to the fact that there is a total lack of Government vision and strategy for Australia's water management future, with no apparent endeavour or willingness whatsoever to investigate water solution options.

There is simply no long term National Water Plan and certainly no attempt has been made by the Federal and State Governments to bring together the interrelated issues of water, food and fibre production, food security, sustainable regional and rural communities and a healthy river system and environmental protection.

This situation is difficult to comprehend, particularly at the Federal level where all of these key issues fall under one combined Ministerial portfolio. A real opportunity for co-ordination and a "whole of Government approach" appears to have been cast aside.

In RAMROC's view, the NSW Government needs to develop a strong working relationship with the Federal Government, so as to thoroughly investigate every potential water generation and storage project. There is a high priority to address the long term water requirements of NSW and particularly the southern Murray Darling Basin foodbowl region.

From any national interest point of view, these are matters that simply can no longer be ignored by the Commonwealth and State Governments. It is unacceptable for Governments to keep relying on the customary excuses that major projects are "too expensive or don't meet the required cost benefit requirements", or that they are "environmentally unacceptable". This is an unfortunate attitude that unless overturned will see Australia continue to fall far behind the rest of the world.

RAMROC is aware that there are realistic project proposals currently before both Federal and State Governments, which potentially can effectively and efficiently divert surplus water resources from the northern states and/or from coastal regions in New South Wales.

As a specific example, I refer to the fact NSW Governments (both the former Labor Government and more recently the current O'Farrell Government) have been formally approached in relation to a proposal by the Tallowa Pipeline Company and Consultants Evans and Peck to source and divert surplus water flows from the Tallowa Dam at the head of the Shoalhaven River. This project ostensibly has the capacity to divert a minimum average of some 200 GL per annum surplus Shoalhaven flows into the Murrumbidgee and Lachlan River systems.

It is understood that the Tallowa Pipeline Company lodged a very comprehensive Unsolicited Proposal (including a Scoping Study, Preliminary Design and Business Strategy) to the NSW Department of Premier and Cabinet during 2011, but unfortunately that proposal has met with the traditional negative response. The Company has subsequently written directly to Premier O'Farrell in March 2012, pointing out the benefits of the proposal and drawing attention to the substantial financial revenue return which would be generated to the NSW Government.

RAMROC of course does not have the technical expertise to make an objective assessment of the economic, social and environmental issues that are associated with this particular project. However, it is unfortunate that the proponents appear not to at least be given an opportunity to discuss in detail with the State Government the merits of its proposal.

This and other water storage and diversion projects previously before Governments have the potential and capacity to substantially contribute towards the environmental and healthy river requirements of the MDB system, as well as maintaining sufficient water resources for urban requirements and for food production and associated processing and transport industries.

There is little doubt that the proposed Murray Darling Basin Plan is arguably the most important issue affecting regional and rural Australia at the present time. Real solutions require innovation and vision, additional research and development and the development of nation building projects. Australia is fast becoming a net importer of food, our food exports are diminishing and inferior but cheap food imports are increasing at a horrendous rate.

Unfortunately, for far too long there has been a total unwillingness to do anything but pander to the interests of extreme environmental groups and to reject potentially worthwhile projects such as additional water storages and/or water diversion schemes. Our Governments must urgently put in place long terms actions and strategies which will ensure the ongoing future of our nation's foodbowl regions.

The RAMROC Chairman Cr Terry Hogan AM and I would be very pleased to address the Standing Committee in relation to these issues.

Yours faithfully,

Ray Stubbs

RAMROC Executive Officer