

**Submission
No 55**

INQUIRY INTO WATER AUGMENTATION

Organisation: Edward River Council

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**EDWARD
RIVER
COUNCIL**

**NSW Parliament Legislative Council
General Purpose Standing Committee No. 5**

**Inquiry into the Augmentation of Water Supply for Rural and
Regional New South Wales**

Submission: August 2016

Edward River Council is the result of the recent NSW Council mergers process and is the combined Conargo Shire Council and Deniliquin Municipal Council,

Council wishes to make several brief comments:

- Our main industries are largely dependent on water available for food and fibre production by our primary producers and the services that support them. The opportunity for economic diversification with potential vertical integration into processing and refining these products has been severely hampered by the removal of productive water from the district under the implementation of the Basin Plan.
- The implementation of the Basin Plan has resulted in substantial losses of water from productive use on a permanent basis.
- This has been compounded by the cumulative impacts of the Basin Plan, the water management behaviour of the Commonwealth Environmental Water Holder that is allowed under the current Lower/Murray Darling Water sharing Plan. (WSP)
- Council believes that an investigation into the appropriateness of the current WSP and Basin Plan is urgently needed, together with the potential Rule Changes in the valley.
- It appears that there is currently no recognition that when the environmental targets and objectives for the region have been met by unregulated flows through the system without requiring the use of environmental water, the CHEW water account remains unchanged.
- Previously water was only owned by productive users and was traded between them to maximise production. The introduction of speculators holding large volumes of water entitlements as a

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commodity has increased the price of temporary water resulting in them generating substantial profits at the expense of food producers' bottom lines.

- This has been compounded by Carry Over Rules since 2004 that no longer result in carry over in water accounts being 'spilt' when Hume Dam spills; making flows then available as allocation volumes. The CEWH and speculators manage water to ensure the carryover of substantial volumes of water which takes up dam space and making volume allocations unavailable.
- This is particularly frustrating when unregulated flows have provided the environmental benefits that the Environmental Water was supposedly required. Yet the Environmental account remains intact and unchanged. This requires review.
- The Basin Plan itself was introduced as a political response to the Millennium drought. It was unnecessary as the rules that had governed water in the Murray Valley had ensured that no allocation was made available until provisions had been made.
- Part of the outcomes of the Basin Plan was to solve ecological problems in the Corrong and Lower Lakes in SA- problems that were created by implementing short sighted 'solutions' of local decisions.
- For the future of this region and NSW, the NSW and Federal Governments need to look at the actual causes & effects of SA's decisions regarding the Corrong & Lower Lakes & Murray Mouth (CLLMM) and help implement local solutions that would bring benefit to the entire nation.
- The current Basin Plan results in substantial flows of fresh water being out to sea- water that could have been used for food and fibre production and GDP.
- Recommendation 13 of the 2013 NSW Standing Committee on State Development:

' That the NSW Government make representations to the Commonwealth & SA Governments to initiate a review of the current management of the Lower Lakes of the Murray Darling Basin. This review should focus on returning the lakes to an estuarine system by building barrages upstream rather than at the Mouth, thereby reducing the volume of water required and improving the productive and environmental outcomes for NSW.'

This review has not taken place.


- The physical constraints to the delivery of environmental water as proposed under the Basin Plan cannot be

achieved without resulting in negative third party impacts to productive landholders and our environment. The NSW Office of Environment and Heritage are aware and monitoring Major River bank undermining and slumping that now requires substantial stabilisation works.

It seems that the implementation of the Basin Plan has resulted in a 'Robbing Peter to pay Paul' outcomes- A reduction in this regions productive capacity and in our riparian environmental value, to create and maintain an artificial environment in SA.

The Edward River Council does not request time to present to the Inquiry as we are aware that several local water groups with substantially more comprehensive submissions have requested time.

Yours sincerely


Des Bilske
GENERAL MANAGER