

**INQUIRY INTO IMPACT AND IMPLEMENTATION OF
THE WATER MANAGEMENT (GENERAL) AMENDMENT
(EXEMPTIONS FOR FLOODPLAIN HARVESTING)
REGULATION 2020**

Organisation: Macquarie Marshes Environmental Landholders Association
(MMELA)

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MACQUARIE MARSHES ENVIRONMENTAL LANDHOLDERS ASSOCIATION

Parliamentary Inquiry into FloodPlain Harvesting régulation 2020

Introduction:

The Macquarie Marshes Environmental Landholders Association (MMELA) was formed in 1995 when there was increasing pressure to further reduce water flows to the Macquarie Marshes. Its members are local landholders, many of whom are third and fourth generation landholders in the area, and all are dedicated to ensuring a healthy and productive marsh for future generations.

The aim of MMELA is:

The Macquarie Marshes Environmental Landholders Association (MMELA) aims to ensure the social, economic and environmental sustainability of the internationally recognised Macquarie Marshes.

The Macquarie Marshes is a large semi-permanent, **flow through** wetland on the lower end of the Macquarie River in central western NSW. It covers an area of approximately 200,000ha of which 12% is a Nature Reserve managed by the NSW National Parks & Wildlife Service (NPWS). The remaining 88% is privately owned freehold land which supports an extensive agricultural industry. Much of the land has been held in families for generations and the property owners have an extraordinary knowledge and understanding of all aspects of the Marshes and its management.

The Macquarie Marshes Nature Reserve, “Wilgara” Wetland and U Block are listed on the Ramsar Convention of Wetlands of International Importance. The Nature Reserve is also listed on the Japan - Australia Migratory Bird Agreement (JAMBA) and the China - Australia Migratory Bird Agreement (CAMBA) along with several other agreements. It is the responsibility of the whole community, including State and Federal Governments, to ensure management of the wetland does not compromise values and/or obligations set out in the above mentioned agreements.

The Macquarie Marshes is unique both environmentally and economically. Research indicates it is the most important colonial nesting waterbird breeding site in Australia for species diversity and nesting density (*Kingsford and Thomas 1995*). The majority of the breeding colonies are situated on privately owned land where landholders have managed and protected them since settlement. The Marshes also support an extensive cattle grazing industry which is its main economic focus. Sustainable grazing is encouraged by MMELA and the majority of

landholders are acutely aware of the environmental needs of the wetland and undertake congruent management practices.

Government policy and decision making relating to natural resource management has in the past had devastating impacts on the Marshes, particularly water management, which has severely reduced water flows through river regulation and other such legislation.

When Burrendong Dam was completed and irrigation was established throughout the Macquarie Valley scientific research showed flows to the internationally recognised Macquarie Marshes were greatly decreased. MMELA brought this to the attention of many governments and fought for water to be recovered for this diverse and unique wetland and its associated floodplain. As a result both the NSW and Federal Governments introduced 'buy back' programs and improved efficiency schemes in an effort to halt the ongoing destruction of the Macquarie Marshes. It must be remembered that these programs only returned a small portion of the water originally taken from the Macquarie Marshes and the landholders who depend on its health and vitality to make their living.

There are few things more contentious than water! And this is very apparent at present as we debate the future of water management in the Murray Darling Basin.

Underpinning the debate is everyone's concern for the future and what a changed water regime will mean for them and their family, their business and their grandchildren. Questions arise such as:

- Will it mean less food production?
- Will it mean more expensive food?
- Will it mean healthier rivers with more productive floodplains and wetlands and no net change in food production? Will communities survive?
- How can we manage with less water and how will we share the water in a fair and equitable way?
- Will future generations say we were wise, that we heeded lessons of the past, that we were considerate and caring about both people and the environment?
- So many questions and no easy answers!

We think it is important to step back to understand how this happened and make sure we do not repeat history, as is often the case. The Macquarie Valley is an example of the mismanagement of New South Wales water resources by a succession of governments and water agencies over the last 50 years.

When Burrendong dam was completed in 1966/67 the yield of the Macquarie River was assessed as 406000Megalitres (ML). By 1978 extractive water users in the valley used about 80% of the allocated water. This resulted in the Water Resources Commission (WRC) declaring that the river was over allocated and an embargo should be placed on the issue of future extractive licenses. In 1979 the WRC introduced such an embargo but by this time the annual estimated yield of the river had risen to 475000ML and licences continued to be issued through loop holes in the system.

Original licenses were area based licences. These stipulated the area of land that could be irrigated not the volume of water that could be taken. To try to control the amount of water

being taken, volumetric licences were introduced. This system apportioned volumes of water (Mega litres/hectare) to a property.

ALL valleys in NSW were allocated 6ML/ha for the conversion to this new licencing system but for some unknown reason the Macquarie Valley was allocated 8ML/ha for irrigators on the river and 6ML/ha for off river schemes. By 1985 the total allocated water for extraction was 612000ML (452000ML was for riparian irrigators and 160000ML for off river schemes). As the revised estimated long term average yield of the river was 475000ML the Macquarie was now over committed by 137000ML.

It gets worse! In 1985 allocations to existing licenses were increased by about 13000ML despite concerns and objections from stakeholder groups. From then to now the allocations for extractive use have risen to 738000ML for the Macquarie/Cudgegong system (the Cudgegong River flows into Burrendong Dam from the Mudgee area). With such mismanagement the damage is widespread, indiscriminate and long lasting!

And what sort of environment will we leave for future generations? Our wetlands which provide ecosystem services and support a great diversity of flora and fauna, including many threatened and vulnerable species, have drastically decreased in number and size. They have been radically changed by the fewer and smaller floods which are now the norm. The environment deserves better than this.

MMELA members have been involved in firstly the development of the 2004 Water Sharing Plan (WSP) then the review into the 2004 WSP, and the development of the Water Resource Plan. **We do appreciate the opportunity to comment.**

Our association feels that the whole process of licencing floodplain harvest take seems likely to end up removing more water from the floodplain and are yet to hear that a sound reason has been given why any licences should be issued to what is an already greatly over allocated system.

Our view is that the way the amendment to the regulation on the 7th February 2020 without prior notice, with a lack of consultation and without explanation of the purpose was negligent at best or even a disgrace to those of us that have been fighting to stop over extraction for years. The regulation has legalised a form of take that impacts on other water users shares. This form of take should not be licenced until an assessment of licencing process is completed or a royal commission is held into water management in NSW.

Floodplain harvesting has resulted in the 50gl cap on supplementary access in the Macquarie being irrelevant as now licence holders can freely harvest water from the floodplain and trade there supplementary licence to other extractors thus increasing take.

The lifting of the embargo on 10 February prevented important first flush flows reaching important Ramsar listed wetlands in both the Gwydir and the Macquarie as well as reducing the critical wetting of much of the riverine floodplain that had experienced many years of severe drought.

Claims that structures built on the floodplain were under threat is ridiculous as any works built on the floodplain must be approved by local government and if these structures did not have approval it only makes the whole lifting of the embargo worse. The very reason why water sharing plans exist is to prevent individual landholders restricting water moving across the floodplain, are we now in the position of those with the best connections to senior bureaucrat's or worse still a state government minister effectively bypassing the due process.

We feel that the works identified in the floodplain management plans that were classified as unapproved works (un licenced) must go through an approvals process. The definition of eligible works should only include works constructed before 2008.

The Macquarie valley has had massive development within the floodplain from 1999/2000 to 2008 with the opportunity to harvest floodplain water only available around the 1999/2000 period. To gain some understanding of how much water was harvested during this period is extremely difficult. This has not been helped as the irrigation questionnaire was both poorly returned and very few (less than 5%) of those that responded actually gave volumes of water extracted. This means to us that ability to estimate the volume of water extracted from the system falls directly into the modelling department. Our association have many doubts as to whether these models are able to capture floodplain flows. It ultimately comes down to a best guess.

We also have concerns about the time period that has elapsed with many property's changing ownership and managers changing, the direct result is that we don't trust that the issuing of licences to harvest water from the floodplain has the grounds to occur.

The capture of water within the irrigation field is another issue. There is 50 000ha of developed irrigation land developed in the Macquarie valley, floodplain harvesting must include the capture of water run off developed fields.

Another major concern is the ability to trade the floodplain harvest licence and the generous carry over conditions that have been attached to the proposed licences. This is going to encourage the large irrigators to extract huge volumes of water from the floodplain in many cases without any limit to take. Floods occur in the Macquarie valley around every 5 years so any irrigator with a 1000mgl licence could in fact have the ability to extract up to 5000mgl.

During the period that the lifting of the embargo took place, water NSW called for the granting of supplementary access in the Macquarie, it had been many years and DPIE water was lacking the staff with the suitable knowledge to make such a decision. Once again it came down to the loudest voice winning out.

With the environmental water managers excluded from the decision making process (dpiie water claimed that the environmental water managers had a conflict of interest) it really concerns us what evidence is used to justify the decision. Below is an example of how the last flow failed and the impact of the decision. During the development of the long term environmental watering plan there was never any mention that it would be used to make decisions like this.

We understand that the total volume of water to come out of the Talbragar was somewhere around 70gl from a couple of rain events around 15/20 February. With demand for firstly re running of the regulated reach then high demand from all stock and domestic requirements needing to be met, the river operators also chose to call for supplementary access to be allowed for 66 hours. This resulted in up to 15gl taken from the river.

The combination of both S/D and supplementary take has resulted in a missed opportunity for the marshes. As I'm sure your aware the current state of the marshes after the prolonged drought conditions 17/18/19 combined with a fire in the main reed bed has left all vegetation community's sitting in the very dry column of the resource availability scenario (MDBA guidelines)

'Avoid irretrievable loss of or damage to environmental assets, avoid critical loss of species community's and ecosystems, and avoid irretrievable damage or catastrophic events'. The actions of the river operator combined with the allowing of supplementary take by DPIE water have resulted in many areas that would have received critical flows denied an

opportunity to start the long journey back to firstly health then survival. An example of this is the mixed marsh vegetation community, some of which failed to receive a worthwhile flow in 2018 and had its last beneficial watering in 2017. This is during a period of severe rainfall deficiency in the local area, as a result of this it's my observation that much of the mixed marsh is now being colonised by Lippia (invasive weed). As much of the ground was bare or very poor groundcover the opportunity for the water couch and marsh club rush to establish has been compromised and now the areas have a strong stand of Lippia. In the Ramsar management plan for U block (private Ramsar site in marshes) It is identified the risk of Lippia encroachment into the mixed marsh community's and during the recovery period from the millennium drought it was understood that the need for overbank flows was critical. The lifting of the embargo and the granting of supplementary access has made the situation worse.

The actions of DPIE water to allow supplementary take and then claim that the decision was hinged on the policy set out in the long term environmental watering plan combined with the S/D demand will have catastrophic consequences for the mixed marsh, I was advised that quote 'there is insufficient flow to achieve the Marshes flooding target 'by DPIE water (acting executive director policy planning and sciences). The window of opportunity to provide flows to these areas is quickly closing as all the plants are frost sensitive. If the water had arrived and for those few areas that it did, there is a small chance that the plants will complete the growth cycle and increase root energy to respond in the spring. If not then this is likely to be the 3rd year without a chance to grow. Those of us that witnessed the decline of the South Marsh Nature Reserve are all too familiar to what happens after the 3rd year without water. Water NSW have now stated that they are looking at easing restrictions to allow access from future tributary flows, this is completely unacceptable until the condition of the marshes has improved.

During the development of the floodplain harvest policy our association has asked that before any licensees are issued a complete scio/economic study be carried out to the impacts on both unreg licence holders (including the Barwon Darling) as well as floodplain graziers who would be effected by the issuing of the floodplain harvesting licences.

In summery it looks to us that there are too many questions and a complete lack of validation as to why the process should continue.

Regards Garry Hall

President of the Macquarie Marshes environmental landholders association.