

**INQUIRY INTO CONSTITUTION AMENDMENT (WATER  
ACCOUNTABILITY AND TRANSPARENCY) BILL 2020  
AND THE PROVISIONS OF THE WATER MANAGEMENT  
AMENDMENT (TRANSPARENCY OF WATER RIGHTS)  
BILL 2020 AND THE WATER MANAGEMENT  
AMENDMENT (WATER ALLOCATIONS - DROUGHT  
INFORMATION) BILL 2020**

**Organisation:** Murray Valley Private Diverters (Inc)

**Date Received:** 5 July 2020

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# MURRAY VALLEY PRIVATE DIVERTERS

## SUBMISSION TO NSW PARLIAMENT

### WATER ACT AMENDMENT (WATER ALLOCATIONS- DROUGHT INFORMATION) BILL 2020

4<sup>TH</sup> JULY 2020

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#### **Introduction**

Murray Valley Private Diverters (MVPD) represents private or collective entity river pumpers in the NSW Murray Valley and its tributaries including the Murray, Edward, Wakool River, Niemur River and creeks systems.

The majority of our members are family farm-based businesses operating mixed irrigation and dryland management systems for livestock and cropping, in the Murray and Edward/Wakool Rivers region in Southern NSW.

Our members are mostly reliant on General Security irrigation entitlements for the irrigation-based components of their businesses.

Water policies in the Murray Darling Basin, pre and post Murray Darling Basin Plan, have decimated MVPD members General Security water entitlements reliability.

The highly regulated Murray System in Southern NSW has been subject to a wide range of Federal and State water policies that have increased water security to South Australia, met political outcomes for the environment and created substantial new drought reserves that include increased water security for other irrigators (eg High security/and South Australia)

Murray General Security entitlement holders have also borne the full brunt of State Government water policies in the Northern Basin (Queensland and NSW). Expansion of irrigation including floodplain harvesting, has had major negative river connectivity flow impacts from the Darling to the Murray River.

Under current interpretations of the River Murray Agreement, when Darling River flows are insufficient to reach Menindee Lakes and contribute to South Australia's minimum annual entitlement flow of 1850GL, NSW Murray General Security water entitlement holder are picking up the difference resulting in substantial loss of yield (or reduction in announced annual allocations) on entitlements.

In 2020, only 32% of Queensland is metering and it is still unclear, what proportion of that figure, is compliant with Nationally Agreed Metering Standards (National Water Initiative 2004)

In 2020, NSW Northern Basin is also still non-compliant with Nationally Agreed Water Metering Standards.

In addition, current understanding of proposed new NSW Floodplain Harvesting rules, mean that floodplain harvesting will also not be required to meet Nationally Agreed Water metering standards. Instead floodplain harvesting will be subject to 'measurement'. In both cases, transparency of 'take' and risks to sufficient flows travelling down the Darling River system to the Murray (via Menindee Lakes) has major negative implications on the NSW Murray General security entitlement holders

The Murray Darling Basin Plan has also meant that of water recovered for the environment:

- 2289GL of the 2750GL is coming from Southern Basin, primarily '*the majority of real water*' is from NSW Murray and Goulburn Valley (Vic) & Menindee Lakes changes
- **2000 GL** (3 yr rolling average) is to meet targets for the South Australia's Coorong, Lower Lakes and Murray Mouth (CLLMM)
- Full transparency and timely information of Basin Plan 'environmental flows to South Australia, timely reporting of irrigators 'take' – are still to be a 'work in progress'. In 2020, SA irrigators do not have mandatory telemetry on irrigation meters and flows over the SA barrages are estimated, not metered
- Murray Darling Basin Authority (MDBA) Northern Basin Review (2018) reduced water recovery for the environment from the Northern Basin. The MDBA also reduced the environmental flow requirement from the Northern Basin to Menindee Lakes from 143GL down to 41GL.

Pre and post Basin Plan, the NSW Murray is the most highly regulated river in Australia with strict controls in NSW on what water is retained for:

- Base flow requirements for river health, including conveyance for urban, environmental, stock and domestic, interstate shares, irrigation and 'connectivity'
- Environmental requirements that are prioritised over irrigation extractions
- Drought reserves which have also been extended post Millennium drought primarily impact NSW Murray General Security
- Additional reserve measures for carryover, high security, General Security entitlements

## **Drought of Record**

Murray Valley Private Diverters (Inc) (MVPD) are extremely concerned that preparation of the Bill has not sufficiently understood the complexities and tight rules that already exist in the Southern Basin.

Instead the Bill appears reactionary to a Northern Basin town water supply issue, but is attempting to make blanket and unnecessary additional 'drought' measures in the Southern Basin regulated system.

This bill, together with the water policy decision over successive years in the Northern Basin (Qld/NSW) and the Murray Darling Basin Plan, will make General Security irrigation in the NSW Murray region unviable. Water policy changes have already placed this region past its tipping point, and this NSW proposed bill will be:

## *'The final nail in the coffin'*

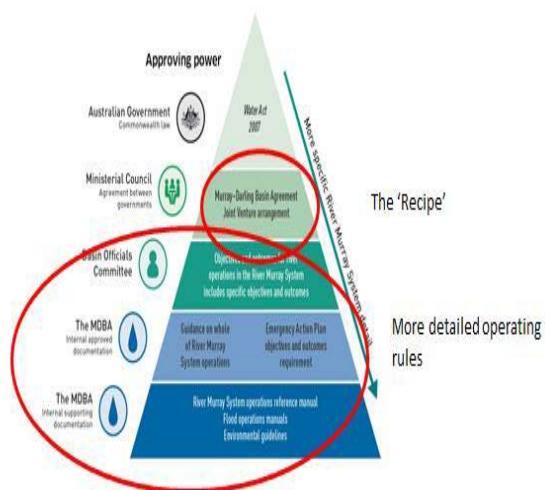
MVPD urges this Committee to refer to joint stakeholder submissions from the Murray Valley compiled by the Murray Regional Strategy Group to understand policy impacts:

- Keelty Review: Inquiry into Water Management in the Murray Darling Basin (2020)
- Sefton Review: Independent Review of Social and Economic conditions in the Murray Darling Basin (2020)

MVPD also encourages this committee to adequately understand how water management and drought reserves already occur in the Southern Basin.

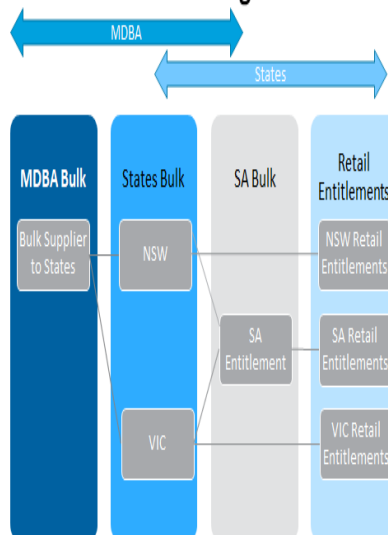
Cumulative decisions relating to the Northern Basin, South Australia, and Murray Darling Basin Plan now mean rules and protections already in place have exceeded levels where NSW Murray General Security can remain viable.

### Joint Governance Framework



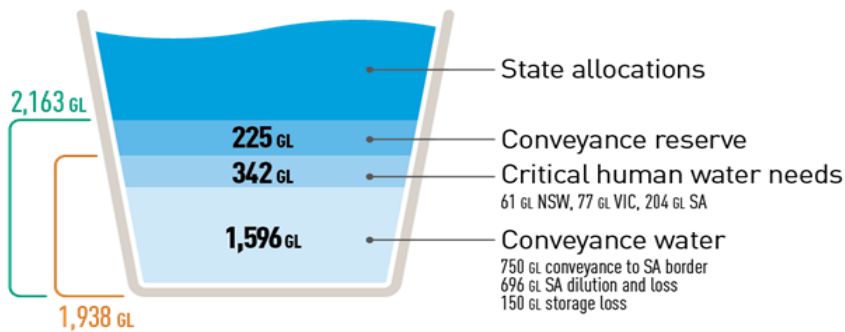
19 January 2020

### Levels of water sharing



19 January 2020

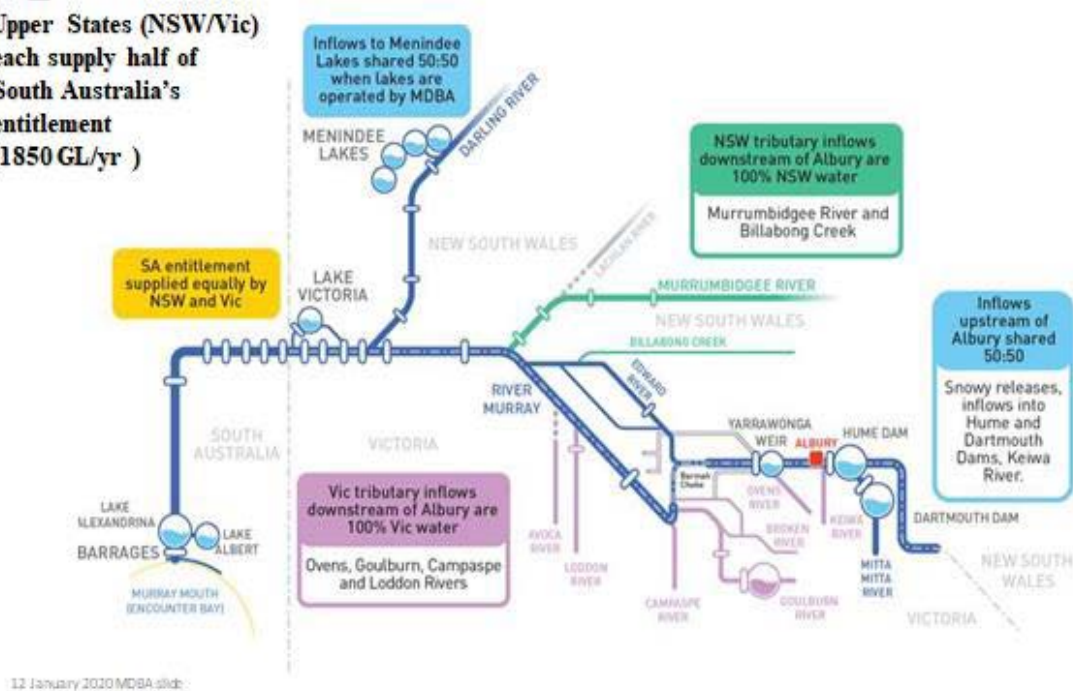
## River Murray System Needs



## The 'Recipe' for Water Sharing in Tier

1

Upper States (NSW/Vic) each supply half of South Australia's entitlement (1850 GL/yr)



12 January 2020 MDBA slide

### River Murray Agreement also has a Tiered system:

- Tier 1; Tier 2; Tier 3, reflect inflow conditions and decisions for water management
- If the Northern Basin is not contributing inflows to Menindee, the extent of impact on NSW Murray GS allocation may depend on timing of decisions to move between Tiers (periods of special accounting)

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## How MDBA implement the water sharing recipe

1. In July we assess the water available for the season by taking into account:
  - Water in storage
  - **Minimum** historical inflows
  - **Maximum** historical losses
  - Usage for year to date

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graph TD; A[Water in storage, Minimum historical inflows, Maximum historical losses, Usage for year to date] --> B[Minimum expected shared water in the system]; B --> C[conveyance water requirements for this year, system reserves for the following year]; C --> D[Remaining water then allocated between Victoria, NSW and SA.];
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2. Then put water aside to meet system needs
  - conveyance water requirements for this year
  - system reserves for the following year.
3. Remaining water then allocated between Victoria, NSW and SA.
  - This process is repeated each fortnight with usage update each month through the bulk accounts.
  - Any improvements compared to the above are allocated progressively through the season as they are realised.

In the second reading speech, the Hon. Mick Veitch is quoted:

*“Decisions about water need to be based on science and facts and..... refers to water models as being broken models of water sharing”*

The current proposed bill demonstrates insufficient understanding of the differences between water management in the Northern Basin and those that occur in the regulated Southern Basin.

The bill proposes updating Drought of Record (DOR) modelling based on a response to Tamworth’s water shortage during the drought and is proposed to be applied state-wide.

This approach to address what is fundamentally a regional water shortage issue in one area, has no relevance to many other valleys across the state. This is a single regional issue, and it is overly simplistic, inappropriate and ignores all the existing rules in the Southern Basin.

There are multiple rules and Drought Reserve Accounts already established in the Murray Valley. These protect town water supplies, the environment, and include substantial drought reserves. The Murray River didn’t die during the Millennium drought, it continued to flow to South Australia, although dire drought over 10 years did mean the former estuary of the Lower Lakes could not be maintained at normal operating levels.

During this protracted drought, South Australian irrigators maintained high levels of irrigation water and in NSW high security irrigators achieved some water. General Security allocations were low or on zero.

Mandating unnecessary additional reserves via this new bill, would potentially result in an average reduction in General Security entitlement reliability of 13% and as much as 25%, as well as later allocation announcements as a direct result of updating the DOR modelling.

MVPD is not confident, that the bill has given appropriate consideration to the differences in the Southern Basin and the Northern Basin.

MVPD calls on politicians of all persuasions to rethink this Bill and recognise the unintended consequences of legislating this change across the state rather than addressing what is fundamentally a local issue through locally specific solutions.

**Louise Burge – Executive Officer**

**Andrew Hicks – Chair Murray Valley Private Diverters**

- **Attachment A:** Keelty Review: Inquiry into Water Management in the Murray Darling Basin (2020)
- **Attachment B:** Sefton Review: Independent Review of Social and Economic conditions in the Murray Darling Basin (2020)