Submission No 9

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: Speak Up Campaign Inc

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Speak Up Campaign Inc.
Inc 1800187

July 2020

Speak Up Campaign
Submission

Inquiry into the provisions of the Constitution Amendment (Water Accountability and Transparency) Bill 2020, the provisions of the Water Management Amendment (Transparency of Water Rights) Bill 2020 and the Water Management Amendment (Water Allocations - Drought Information) Bill 2020

The NSW Legislative Council's Portfolio Committee No. 4 – Industry

The Speak Up Campaign thanks the NSW Legislative Council's Portfolio Committee No. 4 for the opportunity to make a submission into the inquiry it is conducting of three very important water bills for consideration of the NSW Government.

The Speak Up Campaign has members which include, farmers, businesses, business chambers and concerned community members. Last year our organisation instigated a petition, calling on the NSW Government to support calls for a National Water Register and a Federal Royal Commission into the Murray Darling Basin Plan and the Murray Darling Basin Authority.

In less than 5 months we had people from across three states, country people and city people, wanting to collect signatures for the petition, to this day we are still receiving signed petition forms. In all honesty the Speak Up committee barely lifted a finger in collecting the signatures, as there was such an overwhelming response from community members to help collect the signatures necessary to force these issues to be debated on the floor.

Across the eastern states of Australia people recognise there are significant problems with the management of our most precious natural resource, water. So illogical are some of the policy decisions which have been made not only with the Murray Darling Basin Plan, but also with state water sharing plans and their interactions with the Murray Darling Agreement, people are bewildered they could have been made in the first place.

Decisions have most certainly been made that have allowed some to benefit while others have had their livelihoods crippled, as our communities continue to suffer massive social and economic demise and the environment damage is incomprehensible. These decisions have not only impacted food producers, but also businesses in communities who rely on those on the land, industries and Indigenous communities.

People are well within their right to question the motives for such decisions, and to determine the driving force behind those who were in decision making positions.

On behalf of ordinary hard-working people, who just want to see common sense water policy, which provides for food production, the economy, the environment and cultural needs we would like to make the following comments on bills which are being presented to NSW parliament as the result of the petition organised by rural communities -

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Constitution Amendment (Water Accountability and Transparency) Bill 2020

We acknowledge that the Water Minister Melinda Pavey has made a positive step forward with the introduction of this Bill to create a water registry and declaration for members of NSW parliament and congratulate her on the inclusion of the returns form which will result in members of parliament declaring the sale of their water asset. This is certainly a positive step towards ensuring that water ownership is subject to the same scrutiny as any other asset, whether that be land, shares etc.

However, there are some gaping holes, which will not provide the transparency those who have signed the petition are calling for.

Water Management Amendment (Transparency of Water Rights) Bill 2020

The inclusions in the bill presented by Helen Dalton Member for Murray has the protection, accountability and transparency attributes which those signing the petition are looking for, it includes –

- Public registry which includes general water ownership, not just members of parliament
- Retrospective water ownership
- Water interests of Members of Parliament spouses, children

The above points are incredibly important inclusions in addressing transparency in water policy decisions. All those involved in advocating, delivering, implementing and writing water policy must be subject to the same scrutiny, as there have been a number of decisions which have been made that have severely impacted on other regions. For example –

- Amendments to the 2012 Barwon Darling Water Sharing Plan – a last minute amendment to this water sharing plan allowed for an increase in pump size and a decrease in pump height in the Barwon Darling river system. This allows those pumping from this system to pump more water per minute at lower river levels **(TAI 2018a), (TAI 2019)**. The flow on impacts include – reduced flows to the Darling, Menindee Lakes and the Lower Darling, thereby reducing the Darling's contribution to South Australian flows and increasing the demand on the Southern Connected System to meet the SA demands. As a result, severely decreasing the reliability of general security holders in the SCS, and pushing up temporary water prices.
- Increased Flood Plain Harvesting – through government funding under the Murray Darling Basin Plan, some properties have used funds to increase flood plain harvesting or have not decommissioned levees to return floodplain water to the river system **(TAI 2018b)**.
- Noncompliance of CAP factors for floodplain harvesting **(TAI 2019b)**, again reducing flows to the Darling, Menindee, and contribution to SA baseline flows. Resulting in increased demand on the Southern Connected System, impacting on general security yield and forcing up temporary water prices.

- Higher than market value prices being paid to some companies in exchange for water licences under the Basin Plan. There are two well publicised examples where water has been returned to the environment, through buybacks under the Basin Plan where water has been extremely overvalued. This is the case with Websters and Tandou **(TAI 2018c)**, which has had severe negative impacts to those left in the region. Also is of significant public knowledge is the deal between the Department of Agriculture and Water Resources (DAWR) and Eastern Australia Agriculture (EAA) **(TAI 2019c).**

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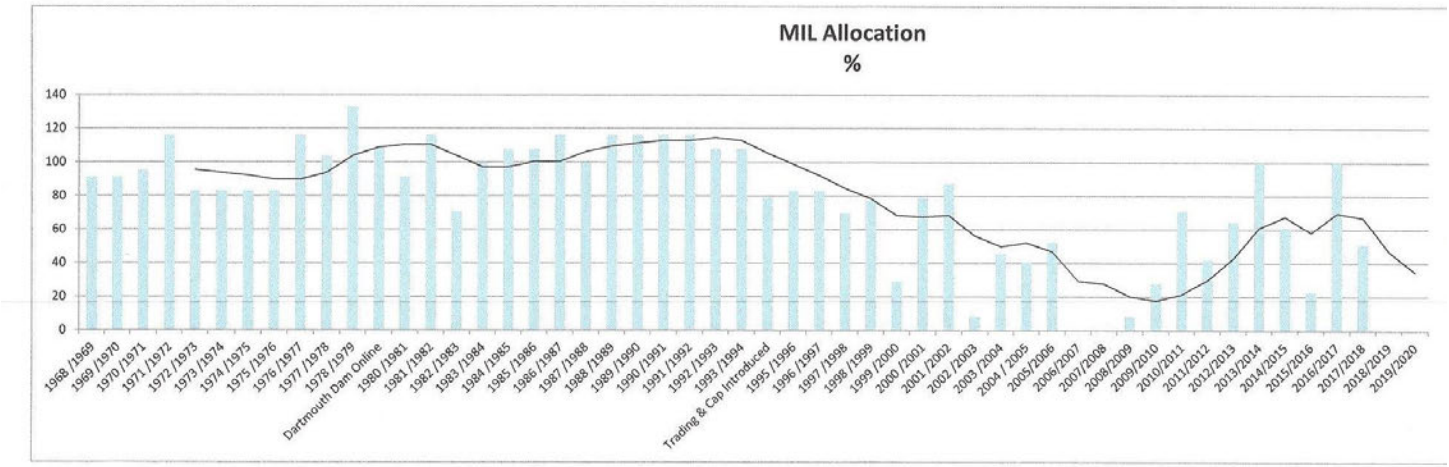
All these decisions have involved multiple parties within government and bureaucracy and have had adverse impacts on others, along with negative environmental impacts, so what has driven these poor decisions? Understanding water ownership is critical to understanding poor policy decisions.

Water Management Amendment (Water Allocations - Drought Information) Bill 2020

The Speak Up Campaign is not involved in the Stakeholder Advisory Panel, which is responsible for interactions with government officials on Water Sharing Plans. However, our close working relationship with those who are has allowed us to gain an appreciation of how water sharing rules impact allocations and yield on entitlement.

In the Southern Connected System critical human needs, along with other high priority uses are prioritised above irrigation needs. Since the Millennium Drought those responsible for the allocation of water in the NSW Murray Valley have erred on the side of caution, together with other policy decisions this has severely impacted not only the yield on water entitlements but also the timing of allocations.

As you can see from the graph and table below, NSW Murray allocations have reduced significantly since records began. Allocation to the farm averaged well above 85% prior to the CAP and Trading was introduced in the mid 1990's; since the start of the century we have seen the average allocation drop to below 60%. Links to the NSW Primary Industry Historical data on allocations can also be found Post 2005 Data and Pre 2005 Data.



Graph 1 – allocation received to the actual farm gate, State Allocation minus conveyance.

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WATER USAGE

BERRIQUIN	WAKOOL	DENIBOOTA	DENIMEIN	TULLAKOOL	TOTAL Ml	% ALLOCATION	COMMENT
3[illegible]3 148	154 994	90 788	46 780	15 664	691 374	67/68 70%	No surplus flows. A severe shortage of resources
362 581	186 450	100 158	56 889	18 311	724 389	68/69 110%	Low demand year. Surplus to mid-September.
5[illegible]7 294	206 865	114 823	63 171	18 161	930 314	69/20 110% ✓	Surplus to end of October.
5[illegible]7 221	227 523	116 811	64 084	19 606	975 245	70/71 115% ✓	Surplus to end of November.
7[illegible]2 615	305 627	174 928	86 174	24 241	1 333 585	71/72 140% ✓	High Demand - good resource year. Surplus to end of December.
5[illegible]9 330	225 093	125 192	63 910	21 937	945 462	72/73 100%	High Demand - poor resource year. Two weeks of surplus.
2[illegible]1 913	139 799	90 054	49 600	12 556	583 922	73/74 100% ✓	Low demand year. Surplus to end of January.
6[illegible]5 039	220 630	137 458	75 106	20 1609	1 088 393	74/75 100% ✓	Surplus to 6th January.
5[illegible]9 726	199 414	134 605	63 751	18 961	946 457	75/76 100% ✓	Surplus to end of January.
7[illegible]1 328	271 429	171 797	85 767	26 631	1 276 952	76/77 140% ✓	Surplus to 10th November.
6[illegible]8 700	252 233	152 911	76 436	29 432	1 131 712	77/78 125%	No surplus flows.
6[illegible]6 021	249 447	156 359	78 061	22 010	1 121 898	78/79 160% ✓	Surplus to 27th November.
6[illegible]9 510	298 497	180 776	96 615	26 861	1 302 259	79/80 120% PD ✓	Surplus to 5th November.
6[illegible]9 152	293 671	175 155	83 939	28 700	1 250 617	80/81 110% PD ✓	Surplus to 30th November.
7[illegible]0 527	291 033	193 768	95 015	24 155	1 314 498	81/82 140% ✓	Surplus to 27/11/81 (Wk. 3/12/81)
5[illegible]3 166	196 512	132 275	61 832	27 476	951 261	82/83 85%	Drought Year.
6[illegible]1 866	278 634	161 514	79 012	23 251	1 174 277	83/84 120% ✓	50% at commencement then surplus to 18/12/83
8[illegible]4 468	342 144	214 820	104 872	27 040	1 503 344	84/85 130% ✓	Surplus to 31.10.84 borrows and transfers up to 40% B.A.
[illegible]0 413	302 028	179 316	86 789	24 089	1 292 635	85/86 130%	55% at commencement, O.Q. to 30.9.85 then 130% alloc. & 100% trsf & 40% b
[illegible]0 155	249 769	162 107	78 354	23 615	1 164 000	86/87 140% ✓	Low demand at start, surplus t 24.12.86 - 100% trsf. & 20% b
807 615	299 148	189 177	93 738	26 509	1 416 187	87/88 120%	High Demand year. 120% trsf & 35% Borrows
5[illegible]0 436	249 892	124 723	61 896	22 975	979 922	88/89 140%	Low demand year -Unlimited Transfer 20% Borrow

Table 1 – State Water allocations, this was the bulk allocation and included conveyance water.

We understand that not all valleys are subject to the same stringent Water Sharing Plans and set of allocation rules as those in the Southern Connected System. The lack of planning and preparation from some valleys has placed townships under extremely adverse circumstances during the recent drought period experienced in western and northern NSW.

However, a blanket approach using the Drought of Record across NSW will punish those who are already ensuring critical needs are met and even during the Millennium drought were not faced with the circumstance as towns such as Dubbo, Tamworth and Armidale. Valleys which had these close calls should most certainly have their Water Sharing Plans scrutinised, but please do not take the extreme record events into consideration for those valleys which are already ensuring critical needs are catered for.

Shelley Scoullar

On behalf
Speak Up Campaign

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