

**Submission
No 144**

INQUIRY INTO FLOODPLAIN HARVESTING

Organisation: Victorian Government

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Hon Richard Wynne MP

Minister for Planning
Minister for Housing
Acting Minister for Water

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Ref: MBR045703



Dear Ms Faehrmann

SUBMISSION TO NEW SOUTH WALES SELECT COMMITTEE ON FLOODPLAIN HARVESTING

I am writing to provide a submission to the Select Committee on Floodplain Harvesting on behalf of the Victorian Government.

The Victorian Government has long been on the public record with concerns about the sustainability of Northern Basin floodplain harvesting, the protection of environmental and low flows, and downstream water use. We oppose the unregulated expansion of floodplain harvesting infrastructure and associated increase in water take in the northern Basin. The New South Wales (NSW) Government has published modelling on the Department of Primary Industries website for the Macquarie, Gwydir, and Border Rivers valleys which demonstrate that this increase means water take is now higher than the legal limits set by the Murray-Darling Basin Plan (MDBP). The results for the Barwon-Darling Valley, which is of great interest to Victoria because of the high connectivity to the Southern Basin and history of poor compliance, are not yet available. Victoria wants to see the floodplain harvesting policy address excessive water take in the northern Basin because it reduces inflows to the southern Basin and impacts water availability for communities and the environment.

Many Southern Basin stakeholders, including Traditional Owners, oppose floodplain harvesting. I acknowledge that part of the stated intention of the proposed floodplain harvesting policy is to reduce the overall volume of water taken by floodplain harvesting through regulation of a currently unregulated activity. This could be a positive step; however Victorian water users and communities are not confident that this reduction will be real or enforced- instead there is a persistent view that licensing floodplain harvesting will lock in unsustainably high levels of overall water take. There is a concern that this will further decrease water availability to the Southern Basin, leading to potentially higher water market prices for farmers, and deliverability risks to Murray users. Communities are also concerned that floodplain harvesting will further damage environmental and cultural assets.

These community concerns are exacerbated by the experience of recent years where flows from the Northern to the Southern Basin have been low. Inflows to the Menindee Lakes, which connect the Northern and Southern Basin, have declined considerably since the 1990s when the median level of the Menindee Lakes was about 70 per cent. This fell to about 20 per cent in the Millennium Drought, and over the last decade the median level has been about 30 per cent. While climate change has had some impact, upstream NSW water management practices like floodplain harvesting are another likely factor.

The impact of these reduced flows on water availability and deliverability has been clear, with the MDBA's Annual Operating Outlook for 2021-22 demonstrating that with the ability to release water from Menindee, pressure is relieved in other systems such as the Goulburn, unlike in previous years. Inflows from the Darling River to the Menindee Lakes support Murray water allocations and our ability to deliver water in line with user demand. When the Menindee Lakes reach a certain level, Victoria and NSW share the inflows equally, and water can also be released down the Darling River to supply Murray entitlements in Victoria, NSW, and South Australia. Without these flows into and out of the



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Menindee Lakes, there is extra pressure on water delivery in the Murray and Goulburn systems, which can cause environmental damage in these rivers as we saw in 2017-18 and 2018-19. It also increases the risk of a lower Murray delivery shortfall. The floodplain harvesting policy needs to reduce the overall amount of water take, so that inflows to the Menindee Lakes and southern Basin are better connected and protected.

To Victorian communities, lack of clarity around the legality of floodplain harvesting translates to the perception that illegal conduct will be rewarded by the new policy. To give communities confidence that the new policy will reduce the amount of water taken through floodplain harvesting, the NSW Government is encouraged to clarify the compliance systems to be used. In floodplain harvesting, water is captured as it flows across the landscape, rather than being actively pumped from waterways. This means reducing floodplain harvesting may require the alteration or removal of infrastructure. It is unclear how reducing take will be practically managed by NSW – for example, whether and how illegal and unlicensed storages and structures will be decommissioned. Strong compliance practices such as widespread metering should also accompany any regulation of floodplain harvesting in order to rebuild community trust.

Compliance is also essential at a state level. There have been significant delays in the accreditation of NSW water resource plans, which are a key tool of the MDBP as they set out how states manage water at a catchment level to ensure that Sustainable Diversion Limits (SDLs) are met. The SDL is a legal limit that sets how much water, on average, can be taken for consumptive use while keeping the rivers and environment healthy, regulating how much water can be taken for use by towns, farmers, and industry and how much water will be made available to the environment. It was recently publicly reported by the Murray-Darling Basin Authority that NSW was non-compliant with SDLs in three areas, including the Barwon-Darling surface water unit. This further undermines trust from Victorian communities that floodplain harvesting can be managed sustainably. How floodplain harvesting will be managed in line with SDLs and without accredited water resource plans needs to be explained more clearly.

Trust could be improved by increased transparency and providing more information about the predicted impact of the policy. Communities in northern Victoria need clear and accessible information about the expected impacts of floodplain management policies on inflows to Menindee Lakes, and on the environment and communities at the bottom of the Darling River system. It is also important there is ongoing monitoring and reporting to ensure the modelling methods which underpin the draft rules are continuously improved. Victoria particularly looks forward to the modelling for the remaining systems (Namoi and Barwon-Darling) as they have the greatest potential impact to flows on the southern Basin.

Overall, we are of the view that the NSW Government is making a step in the right direction by licensing and limiting floodplain harvesting that is currently unregulated. This could allow floodplain harvesting to be regulated, and importantly, reduced, to ensure NSW's overall water take is in line with the SDLs imposed under the MDBP and managed through water resource plans. However, Victorian communities need to see evidence that the total water take in NSW is genuinely sustainable within each SDL resource unit. Measurement of future floodplain harvesting will be critical for transparency, compliance, and meeting MDBP objectives.

I trust that this inquiry can lead to an improved approach to the management, regulation and compliance of water in Northern NSW. It is important that all states have sound water management frameworks underpinned by rigorous compliance systems.

If you would like more information about these matters, please contact Jessica Freame, Director Intergovernmental, Department of Environment, Land, Water and Planning on or via email at

Yours sincerely

HON RICHARD WYNNE MP
Acting Minister for Water

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