

Submission  
No 3

## INQUIRY INTO STATUS OF WATER TRADING IN NEW SOUTH WALES

**Organisation:** Griffith Business Chamber

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I am Paul Pierotti, President of Griffith Business Chamber, Chair of MIA Communities Group, Executive Rep for the Murrumbidgee region on Southern Connected Basin Communities Association,

Managing Director of around 18 full time staff in Retail, Online & Property Businesses established almost 60 years ago in Griffith and Proud Father of 2 Wade High School Students - It is my hope that my children get to live in the same vibrant and prosperous community that I did here in the MIA.

The MDBA's website says; The aim of the Murray–Darling Basin Plan is to bring the Basin back to a healthier and sustainable level, while continuing to support farming and other industries for the benefit of the Australian community.

We are all impacted directly or indirectly by the Basin and what happens to it. It's our shared resource, so it's our shared responsibility to achieve a sustainably healthy river system for our current and future generations.

SIMPLE THINKING in a complex world is the recipe for disaster.

For all our human sophistication, we react to the world in simple ways.

Our world is complex, but our ability to cope with it is limited.

We seek simple solutions that hide or ignore the complexity.

The result is that our actions often have unintended side-effects. These produce unwelcome trends, accidents and disasters.

This is the fundamental reason why The Murray Darling Basin Plan fixated by a simple number of water volume is destined to inevitably fail.

A disastrous Fail for the Environment, A Fail for Economies & A Fail for Communities.

Confirmation bias is the tendency to search for, interpret, favour, and recall information in a way that confirms or supports one's prior beliefs or values.

People display this bias when they select information that supports their views, ignoring contrary information, or when they interpret ambiguous evidence as supporting their existing attitudes.

The effect is strongest for desired outcomes, for emotionally charged issues, and for deeply entrenched beliefs. Confirmation bias cannot be eliminated entirely, but it can be managed, for example, by education and training in critical thinking skills.

Many WATER words and acronyms are flawed simplifications loaded with confirmation bias.

Some overused water word clangers include;

Over-allocation, Willing Sellers, least worst outcomes, Thirsty Crops,

The Worlds Driest Nation, a River dies from the bottom up,

end of system flows, environmental watering, competing interests, Angry instigators versus the environment, far from perfect but the plan is better than no plan at all.....and many more...

The reality is that a fixed water volume for the Environmental Water Holder or any of the simple confirmation bias language does NOT even come close to addressing the complexities of REAL & Meaningful water management for the benefit of People, Profit & Place – being our communities, economies and environment.

The MDBA's Website also has a section that says; Adaptive management ;

A cornerstone of the strategy for managing water resources in the Basin is adaptive management – 'learning as you go' by trialing techniques, monitoring, and making changes as needed.

Water managers must be flexible and dynamic to achieve the best possible outcomes. This is the modern way of managing natural resources.

Adaptive management allows governments and communities to adjust their approach in response to current climatic conditions, new information and local knowledge when planning for the future.

The features of this approach are planning, management, monitoring and evaluation. Adaptation can happen at any one of these stages.

UNFORTUNATELY, this could not be further from the truth in real terms.

There have been 100's of Inquiries and committee findings that have identified the need for serious review BUT little if any recommendations are actually implemented, so rather than adaptive the MDBP is rigid, inflexible and fundamentally seriously flawed - neither adaptive or really managed.

THIS IS not real Water management reform using best available science and technology to bring the Basin back to a healthier and sustainable level while supporting communities.

It is just confirmation bias junk bucket science guesswork based only on water volumes.

#### JUST POLITICS

To seem to be addressing the issues while Billions of tax payer dollars are spent on feeding the hungry ever-growing monsters of bureaucracy.

Not just the MDBA but multiple layers of Dysfunctional self-fulfilling process driven organisations rather than the necessary outcome driven responsive reform facilitators required.

The Southern Basin communities have given up 74% of the tax payer funded stripping of water for the Basin Plan.

The Southern Basin have had Zero or Low allocations of General security water for years as a direct consequence of the rampant proven illegal, un-metered & un-policed Flood Plain harvesting of Northern NSW and Queensland.

The still current legislation in NSW Water Sharing Plan for the Gwydir Regulated River Water Source 2002 Appendix 3 State floodplain harvesting principles clearly stipulates Section 4 Floodplain harvesting principles

- (1) all existing floodplain harvesting will be licensed.
- (2) volume limits and flow related access conditions, including metering of pumps
- (3) no new works or expanded floodplain harvesting.
- (4) ONLY floodplain diversions end of the 1994 irrigation season will be considered as within the NSW cap.
- (5) appropriate steps taken to keep harvesting to 1994 cap levels.
- (6) floodplain harvesting rights will not be tradeable.

These laws have been ignored by regulators and are now being blatantly breached by over 1000% THIS MUST be reversed & laws heavily enforced.

The no flow of the Darling river has meant that the Southern Basin Dam water has been used to make up the shortfall to fulfil the inflexible and antiquated 1914 water sharing arrangement with no allowance for drought, where the so called water managers destructively drained the Menindee Lakes causing the catastrophic fish kill on top of a flood in South Australia.

The unsustainable Lower Fake Lakes evaporate over 800 GIGS of freshwater per annum and are held artificially high with freshwater for yachters these Lakes are Scientifically twice peer reviewed proven to be naturally estuarine prior to the barrages & the South East drains diverting freshwater out to the ocean are now longer than the entire Murray river. (Darren DeBortoli would be more than happy to educate you on this catastrophe.)

The water market has been gamed and manipulated by speculator traders to the detriment of commodities and industries and communities.

The Canadian Mounties Superfund now own 841,000 megalitres of Australian freshwater and are unfairly exempt from capital gains tax, Duxton Water and others continue to manipulate the water market on a massive scale all without legislated water trading transparency .

Over 2 million megalitres are deducted for conveyance water losses where someone who buys a megalitre from here in Griffith in South Australia uses 3 megalitres to deliver it but still only pay for 1 meg.

These transmission losses must be passed onto downstream buyers so the furthest downstream purchaser must buy 3 megs to get 1 delivered.

A ZERO trade carryover rule must be implemented to prevent the market being further gamed and ridiculous "parking" rorts are eliminated. This would mean a farmer carrying over could use it or lose it but can not any longer trade it.

Water infrastructure must be improved for our region's sustainability.

The 110 year old Burrinjuck dam wall increased in capacity from 1000 gigs to a potential 4000 gigs go hand in glove with the large enroute storage potential at Lake Coolah as presented by Narrandera's David Farley with Phillip Glyde from MDBA's in principle support.

Over coming days Wagga, Leeton and many others are at risk of significant flooding which could be mitigated by better capacity storage and on route management capacity like Lake Coolah.

The 1914 Water Sharing Agreement must be amended to include a drought reduction clause – No capped guaranteed volume any longer as droughts don't respect State borders.

WE sincerely hope that this NSW Government Inquiry is the beginning of a refreshing new collaborative approach to representation on serious water matters with independent Community groups.

We must stop Government manipulation with selective closed secret meetings like what recently happened in Griffith with Federal Water Minister Keith Pitt and well known large scale water trader & water delivery company Murrumbidgee Irrigation.

IN-fact water traders should be obliged to declare a direct pecuniary interest in many water matters and refrain from any input or debate, it is the whole of community that is impacted by these issues not just instigators and the community deserves proper input and inclusive representation. Hopefully Tanya Plibersek will be more available and accountable.

NSW Government must immediately legislate to block any further Buy-back by the Commonwealth Government or it's associates.

Sincerely,

Paul Pierotti

President Griffith Business Chamber.