Speak Up Campaign Inc.

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Submission

South Australian Royal Commission into the Murray Darling Basin Plan

Dear Mr Walker and fellow Commissioners,

Summary

- The 2007 Water Act was politically motivated and has been criticised internationally. It needs to be overhauled for the betterment of the nation's future
- The RAMSAR Listing of the Coorong and its characteristic description needs to be reviewed for the benefit of the entire nation
- The Basin Plan is based on flawed assumptions and modelling, therefore the Basin Plan cannot solve the problems of the Coorong, Lower Lakes and Murray Mouth, nor can it fix the problems of the Lower Darling
- Amendments to the Water Act are needed to ensure that an indisputable triple bottom line is equally applied to environmental, social and economic outcomes
- Recognition that quality is as (if not more) important than quantity to maximising environmental outcomes

The Speak Up Campaign formed two and a half years ago to become a voice for community concerns regarding the impacts of the Murray Darling Basin Plan (MDBP) on food and fibre producers and the communities dependent on them.

This year Speak Up became incorporated because the impacts of the MDBP on our communities are so profound that the grassroots – farmers, business, concerned citizens, councils, business chambers and environmentalists alike - have encouraged our organisation to continue to highlight the negative impacts that this plan is having on our communities from social, economic, and environmental perspectives.

The 7th and 8th of May as well as the lead up and aftermath has caused a great deal of stress to Speak Up and members of our community. As an organisation we feel that we are left with no other option than to speak to you plainly and put our hearts on our sleeves as this may be our only opportunity to try and bring some common sense to the forefront.

Firstly, may we please state the following to begin and implore you to not take this as personal criticism and please continue reading after our concern is raised.

The media coverage, biased journalism, along with blatant mistruths displayed in the lead up to the senate vote on the disallowance of the Sustainable Diversion Limit Adjustment Mechanism on the 8th May 2018 was shocking. We also felt the timing of the South Australian Royal Commission in the Murray Darling Basin Plan, and questions raised in media releases about the ability of the Basin Plan to meet the objectives of the 2007 Water Act at this critical timing again placed NSW Murray and North Victoria as the collateral damage in this political, not practical, debate on water.

Background

The Murray Valley and Goulburn Valley regions are prime agricultural areas, producing dairy, horticulture, rice, cereals and livestock. The two regions have contributed over half of the 2106 GL of productive water recovered under the MDBP to date and this does not include water recovery under other water reform such as the Living Murray and others. Alongside this, the region is at greatest risk to private property inundation as the majority of water under the MDBP flow targets are delivered through this complicated section of the Murray with all its rivers, creeks and tributaries. Again, exposing the two regions to even further economic, social and environmental pressure.

Year	Murray Valley NSW – Billion \$		North Central Vic Billion \$		Goulburn – Broken Vic Billion \$		National total Billion \$	
2015-2016	0.55	3.7%	0.56	3.7%	1.1	7.3%	15	
2014-2015	0.7	4.7%	0.7	4.7%	1.4	9.3%	15	
2013-2014	0.63	4.3%	0.66	4.8%	1.1	7.5%	14.6	
2012-2013	0.46	3.4%	0.69	5.1%	0.98	7.3%	13.4	
2011-2012	0.37	2.7%	0.7	5.1%	0.97	7.2%	13.5	
2010-2011	0.33	2.6%	0.53	4.1%	1.0	7.7%	12.9	
2009-2010	0.3	2.6%	0.48	4.2%	0.67	5.9%	11.4	

ABS data on the contribution of Gross Value of Irrigated Agriculture per valley and as a percentage of the National production

Combined these three regions contribute 15% of the Gross Value Irrigated Agricultural Production to the National economy, thereby are significantly important to generating revenue for the nation.

Productive water recovered to date has occurred under two methods, buybacks or efficiency programs. In both cases government money has gone directly to the participant, being a farmer or a water delivery company. In both cases it has seen water leave a region with grossly inadequate compensation to the community impacted by its removal. While participants have been compensated those businesses reliant on the production of that water have not, this is especially true for buybacks. Across the Murray Darling Basin 57% of water recovery has been through buybacks, and in Nth Victoria and Sth NSW buybacks are considerably higher than the Basin average.

Surface Water	NSW Murray		Vic Murray		Goulburn + Nth Vic		
Recovery To Date							
	Actual (GL)	Target (GL)	Actual (GL)	Target (GL)	Actual (GL)	Target (GL)	
Tatal	252.5	262	206.0	252	402 F	274	
Total	353.5	262	396.9	253	403.5	374	
Buybacks	219.5	62%	270.9	68%	241.7	60%	
On Farm Efficiency	134	38%	95.9	24%	95.4	24%	
State Govt Recovery		L	30.1	8%	66.6	16%	

Water Recovery to date under the Murray Darling Basin Plan

This table clearly highlights that water recovery across these regions has exceeded the targeted volumes. The tight political legislative time frames of this water recovery have led to over recovery from these regions, which has taken place without a sensible strategy, which would have allowed the retirement of subsystems and /or inefficient systems within these regions. This has lead to many unforeseen consequences such as:

- swiss cheese effect across irrigation districts
- severely inflated cost to maintain irrigation systems for those left using them
- increases in temporary water prices that are well above that predicted
- water leaving these food producing areas to regions further downstream
- massive socio-economic impacts including loss of \$550 million per year and 1000 jobs in the GMIDⁱ, \$197 million / year and 678 jobsⁱⁱ in the MIL footprint.

Water Act

Speak Up fully agrees that Murray Darling Basin Plan will not meet the objectives of the 2007 Water Act, for a number of reasons.

- The 2007 Water Act was politically motivated, please refer to the submission made by Dr John Briscoe, then Water Director at Harvard Universityⁱⁱⁱ. Therefore the Basin Plan which was born from this act does not have realistic, or practical targets, making them impossible to achieve.
- The Basin Plan was modelled on false assumptions, including
 - \circ $\;$ That the Lower Lakes were a fresh water system'', please see this video by Prof Peter Gell' $\;$
 - That the Lower Lakes and Coorong were predominately supplied by the Murray Darling Basin
 - \circ $\:$ Ignoring the contribution the South East and Upper South East Drains played in maintaining Coorong health
 - The Basin Plan has a focus on delivering unachievable volumes rather than solutions to the real problems based on quality outcomes
 - Basin Plan objectives continually revolve around a quantity approach, rather than integrating quality approaches
- The addition of 450GL of "upwater" was a last minute decision once again for political gain, rather than scientific and evidence based environmental reasoning and outcomes.

The Water Act clearly has a bias towards delivering volumes of water to South Australia. This comes at the expense of real environmental outcomes across the Basin and at the end of the system. It also comes as the expense of the nation's premier food and fibre producing regions, Nth Victoria and Sth NSW. Many academics and international experts advocate that quality is just as important if not more important than quantity for improving environmental objectives.^{vi} Furthermore, delivering ever increasing volumes of freshwater to the Lower Lakes results in the perfect breeding environment for the invasive pest, carp^{vii}.

From our perspective the 2007 Water Act is one of the worst pieces of legislation that has been written. It makes no consideration for food and fibre security into the future as our population continues to grow, with an expected increase of 60% by 2050. The 2007 Water Act blatantly puts an artificial environment ahead of the needs of the Nation's inhabitants, on top of this scientific evidence had been tampered with to deliver this piece of legislation.

The Australian constitution in section 100 states -

'The Commonwealth shall not, by any law or regulation of trade or commerce, abridge the right of a State or of the residents therein to the reasonable use of the waters of rivers for conservation or irrigation.'

In other words the commonwealth contravened the Nation's constitution, using RAMSAR Listing to send vast amounts of water to South Australia, based on scientific evidence that had been tampered with. However, characteristics of wetlands can be redefined and wetlands can be reclassified by the country in which they reside. Australia at any time can choose to reclassify the RAMSAR listing and manage the Coorong based on what is best for the nation. The Water Act could have easily legislated that changes be made to the characteristics of the Coorong, but this did not suit the political motivation of the authors of the Water Act. And hence we have a water act based on volumes and not outcomes

The Murray Darling Basin Plan and Murray Darling Basin Authority

The Murray Darling Basin Authority (MDBA) were given the task of developing a plan to deliver on the poorly legislated 2007 Water Act. As a result we have a Basin Plan which is based on flawed assumptions and modelling, subsequently we have a Basin Plan based on sending volumes of water to the end of the system and not quality outcomes. A Basin Plan that sees 83% of the water recovery coming from the Southern Basin, which is devastating communities and those volumes cannot be delivered without third party impacts to both private and public land. Recovering water from Nth Victoria and Sth NSW will not solve the problems of the Lower Darling, despite the fact that the Greens, Labour and some along the Lower Darling think it will.

As an organisation representing grassroots communities we feel the current framework for implementing the Murray Darling Basin Plan has totally failed. From the beginning it was rushed and a knee jerk response to a millennium drought. As a result, baseline measurements and benchmarking are flawed and have had a direct impact on the volume of water targeted for recovery under the MDBP. Consequently, we have a plan based on volumes rather than a practical plan, which could have incorporated numerous works and measures, i.e. a multiple measures approach, ensuring that the environmental outcomes were met without increasing the amount of water recovered from food and fibre producers. This has directly had a flow on effect on business reliant on farmers and has impacted employment and rural communities. For example, MDBA studies have shown reductions in population and job numbers in the Wakool region of close to 50 per cent.

Blackwater Events - The Murray Valley is home to many national parks and forests, including three of the world's largest red gum forests, which in 2010 had their management practices overturned when the National Parks ruling came into effect. Since 2009 the region has experienced four hypoxic blackwater events, which is unprecedented according to local recollection and records. It would stand to reason that the assumptions used to model the volumes and frequencies of watering would have also been impacted by the change in the management of the forests. Locals have been requesting monitoring of blackwater events, along with thorough research into these events for a number of years. Findings could provide invaluable data to reassess the quantity of water needed to meet the environmental outcomes in this region.

Carp breeding - New science and research has provided a greater understanding into the ideal breeding conditions for not only native fish, but also introduced species such as carp. Carp compete with native fish for habitat, breeding space and food. They also have a devastating impact on our waterways, causing erosion, damaging native vegetation and causing water turbidity. Recently there has been an increase in European carp numbers in the region, which is concerning many local angling and fish experts. Yet the opportunity to assess, monitor and evaluate the hypoxic blackwater event in the wake of the 2016 floods in the Murray Valley did not take place. Worse still the Annual Report released in 2017 by the MDBA failed to report on Murray Cod monitoring, yet reported on yellow belly and silver perch. Another example of the MDBA cherry picking information.

The most successful programs and reforms result from engagement and collaboration, utilising local knowledge and understanding of the systems in their footprint. The MDBP has ignored investment in establishing and increasing stakeholder engagement through inclusion in monitoring and reporting. This should be captured in region specific stakeholder engagement plans, none of which have ever been developed and signed off. The MDBA had the opportunity to establish ongoing partnerships with locals and their communities which would go past engagement with other government agencies. Focusing on landholders and community lead organisations who have generational experience, understanding and knowledge of the region would have allowed for the MDBP to be developed with critically needed localised solutions. Citizen science is an internationally accepted process, and the MDBP has none of it, so excludes the very people it is supposed to serve.

Instead we have a MDBP with environmental targets focused on volume instead of incorporating projects and methods which encompass improving water quality. A focus on quality and not quantity is well supported by leading scientists who are respected at an international level. There are numerous environmental activities that potentially could improve environmental outcomes, but have been ignored –

- Fencing off water ways from stock and installing watering points and pumps to prevent stock from eroding and disturbing banks
- Vegetation and rehabilitation of river banks to improve the structure and integrity of the river banks, such as replanting, resnagging, thus reducing turbidity and increasing quality.
- Physical restoration of key wetland sites such as replanting, and invasive species control including carp, foxes and pigs.

• Fishways and fish habitat restoration

Reporting, evaluation, and communication has been completely inadequate, with large reports being compiled months after watering events, impossible to decipher or get information from in a meaningful way.

A truly independent MDBA would have assessed compliance standards across the different regions and valleys prior to setting volume targets for the MDBP. Enforcing standardised metering and measurement across the entire MDB could have prevented large volumes of water from been recovered from regions along the Murray, which can neither solve the problems of the Darling or the end of system.

As an independent organisation, the MDBA continues to hide behind legislation that does not equally balance social, economic and environmental outcomes. Consultation has involved telling communities how it is, not involving them in decision making (which most people believe consultation is). Instead our communities (which have suffered significant water loss, employment and population losses at the hands of a Basin Plan based on deliberate misleading scientific evidence) are greeted by an MDBA who tell us we need to adapt.

Speak Up believe that as an independent organisation it is the responsibility of the MDBA to stand up to govt. tell them that the legislation that is the 207 Water Act has significant flaws and that there are far better and fairer ways to meet environmental objectives than removing 5.5 Sydney Harbours of water from productive use. All the while flooding private land and increasing production losses along the way.

Government Failure

Our communities, who have become the collateral damage in the Basin Plan (after an extensive list of prior water reform) have been let down by governments and departments who should have

- Taken a strong stand against the legislation of the 2007 Water Act
- Questioned the science behind the 2007 Water Act
- Held the MDBA accountable
- Questioned the assumptions and modelling used to develop the Basin Plan
- Questioned the volumes of water to be recovered under the Basin Plan
- Questioned how the volumes of water would be delivered without flooding private and public property
- Insisted on a Basin Plan that delivered on outcomes not volumes, which would have had long term sustainable outcomes for both the Lower Darling and the Coorong, Lower Lakes and Murray Mouth.

Instead we are left with a Basin Plan that favours the Northern Basin and South Australia, with those in between left as collateral damage.

Various organisations within the Murray Valley, including Speak Up have requested to work with NSW DPI to produce SDL projects which communities are comfortable with. However, the SDLAM process has failed communities within the Murray Valley. Not only did NSW DPI fail to incorporate projects which were submitted by organisations within the Murray Valley (projects which were designed with local knowledge and experience), NSW DPI failed to take the opportunity to accept offers from the Murray Valley to identify potential third party risks which may result from the projects which were submitted to MinCo. Additionally the SDLAM process has not allowed for an adaptive and flexible approach, restricting advancements in knowledge and research to include new projects, which could improve ecological outcomes and reduce the impacts on rural communities. This defies a balanced approach to social, economic and environmental outcomes.

Which leaves our communities between a rock and a hard place; if we don't support the SDLAM process then we risk further water being removed from our already depleted consumptive pool, which is having unpredictable impacts on our communities. So we are left to accept projects which we know come with risks to yield and reliability, with risks of project budgetary over runs because they have gone through a process lacking due diligence before being accepted by MinCo and the MDBA.

In 2016 the biggest flood in decades devastated the Murray Valley and beyond, causing hundreds of millions of dollars in lost production. Even with this unprecedented flooding event and vast volumes of water flowing down the Murray, dredging of the Murray Mouth resumed in January, three weeks after the flows arrived. This alone indicates that not enough time and care was taken in adequately assessing the problems which the MDBP was to address and the best way to address them. Modelling certainly did not allow for a balance between social, economic and environmental outcomes. It did not recognise that recovering 83% of the water from the Southern Connected Basin and expecting the Murry River to deliver volumes in excess of what is physically possible without third party impacts, would not fix the problems of the Lower Darling and Coorong, Lower Lakes and Murray Mouth.

The Water Amendment (Water for the Environment Special Account) Bill 2012 which provides funding for the acquisition of the 450GL upwater and removal and mitigation of physical constraints specifies that key enhanced environmental benefits would be achieved. However, the 2012 report 'Hydrologic Modelling of the Relaxation of Operational Constraints in the Southern Connected System' states - *"Modelling indicated that relaxing constraints would provide relatively subtle changes to outcomes for the Coorong, Lower Lakes and Murray Mouth.... with some indicators slightly improving, and some indicators slightly worsening."^{viii} In fact, the report stated modelling the 'relaxed constraints' scenario indicated only 'minor scale changes' to the CLLMM environmental indicators.*

The 450GL cannot be delivered without massive third party impacts. In addition, the socioeconomic impacts have already been far too great with the removal of entitlements from productive use. The impacts on loss of production from delivering the additional 450GL would bring further adverse socio-economic impacts to communities along the main rivers and their tributaries, and as a consequence this directly contravenes the enshrined legislation that it must have "neutral or positive socio-economic effects". Not to mention the environmental damage that will come from trying to force these volumes of water through the system (damages already being felt from the 2750GL).

Victorian Water Minister Lisa Neville has stated that "Victorian farmers have no more water to give"¹¹, and in relation to giving up water in return for on-farm efficiencies, the Minister has stated that the Goulburn Murray Irrigation District "is at tipping point".^{ix}

Communities within the NSW Murray, Vic Murray and Nth Victoria have become the sacrificial lambs in the MDBP process, contributing over half the water recovered from productive use through the implementation of the MDBP. Not only this, the Murray and the rivers, creeks and other tributaries which feed into the Murray are expected to deliver volumes of water which will potentially cause inundation of private and public property. If the 450GL goes ahead then further socio-economic devastation will come with attempting to deliver this volume, not to mention the impacts of recovering further water from productive use.

Speak Up Campaign Inc is a voice for rural communities. We represent the grassroots. We hear the stories of people forced to leave family farms and businesses, leaving the job they love. Forced to move on from what they are passionate about and is the driving force getting them out of bed every day. We hear the stories of people who have taken or attempted to take their lives because the implementation of the MDBP has not balanced social, economic and environmental outcomes. It has been implemented in haste without identifying solutions which can improve the quality of the Darling and end of system and implemented in haste without adequate adjustment strategies or process in place. Instead good, hard working people have been left to pay the price of a MDBP which is built on false assumptions and flawed modelling.

The NSW Murray is home to three of the world's largest red gum forests, has established freight services and modern irrigation infrastructure. It is home to the southern hemisphere's largest rice mill and has fertile soils, it is ideal for food and fibre production and environmental outcomes. However, it also has numerous constraints to delivering the volumes of water required under the Basin Plan. Yet the region is rarely visited by Ministers, Senators, bureaucrats or any other decision makers involved in water reform, we are the collateral damage in this plan based on flawed science.

Yet, the grassroots has endless hope. Hope that there will be someone or an organisation or an inquiry that will step up against the political deals and influence. We continue to develop options and solutions which will ensure that environmental outcomes are achieved while preventing further damage to rural communities. Our document – Balancing the Impacts of the Basin Plan^x provides options to do just that. These were presented at an Open Water Forum hosted by our organisation on Friday 13th April 2018, 300 people attended. Those in attendance overwhelmingly supported these two motions –

- No further acquisition of water in the Southern Basin
- Indisputably Balance the Plan Prime Minister, Basin State Water Ministers and Premiers to meet with representatives from Speak Up so that our Balanced options can be presented on behalf of the grassroots community, as already outlined

The latest deal done by government to secure the 605GL of SDL projects has greatly concerned Speak Up. We cannot support any more water removed from the southern basin (even through efficiency measures) as this will far too greatly impact communities along with food and fibre producing capabilities.

Government must see sense and call for amendments to the 2007 Water Act to recognise that an indisputable triple bottom line must be applied to all decisions regarding the Basin Plan. Social and Economic factors must have equal weight. The RAMSAR listing of the Coorong must be reassessed for the long term sustainability of the entire nation.

Basin Plan Impacts GMID - RMCG

ⁱⁱ Basin Plan Impacts Murray Valley - RMCG

ⁱⁱⁱ Briscoe submission - Inquiry into provisions of the Water Act 2007

^{iv} Senate Select Committee - Inquiry Murray Darling Basin Plan (Prof Peter Gell)

^{*} Prof Peter Gell discusses the health and history of the Coorong

vi The Conversation - We need more than extra water to save the MDB

 ^{vii} <u>Rylah Institue - Managing flows and carp</u>
^{viii} <u>Hydrologic Modelling Relaxed Constraints October 2012</u>

 ^{ix} Border Mail 21st February 2107, Irrigators at tipping point
^x Balancing the Impacts Speak Up April 2018