



Murrumbidgee

Private Irrigators Inc

Submission to

**Water Sharing Plan for the
Murrumbidgee Regulated River Water Source 2016**

June 2023

Introduction

Murrumbidgee Private Irrigators' Incorporated (MPII) appreciates the opportunity to make this submission on the Water Sharing Plan for the Murrumbidgee Regulated River Water Source 2016 (WSP) to the Natural Resources Commission (NRC).

MPII represents regulated and unregulated water users in the Murrumbidgee Valley outside of the Irrigation Corporations, Murrumbidgee Irrigation and Coleambally Irrigation Cooperative. Our membership takes in a broad area, communities and commodities, from Gundagai to Balranald to Moulamein with our producers involved in growing of rice, cotton, wheat, citrus, vines, vegetables, almonds, dairy, sheep and cattle.

Background

MPII is supportive of regulation of all water take in the Murray-Darling Basin and views the water entitlement framework used in NSW as a key mechanism for both the community to have certainty that rules are followed and that users have their rights protected and can employ staff and invest in their businesses with confidence.

Our submission is based broadly around the questions asked by the NRC, we do note that there is considerable overlap between the various areas that are impacted by the WSP. We also note that we are commenting primarily on the impacts on MPII membership and its communities, hence the commentary on economic and social outcomes is more extensive than other areas.

To what extent do you believe the plan has contributed to environmental outcomes?

Improved environmental outcomes are uncertain as there have not been sufficient tangible improvements in the in the view of MPII members. There has been significant dislocation of industry, community and the resultant damage to economic and social outcomes for areas that are dependent on the Murrumbidgee WSP.

MPII submits that the loss of water to the environment from production via the WSP has not been outweighed by the benefits gained.

The environmental flow rules in the WSP are overly complex and difficult to implement for operators, difficult to understand by users and multiple reviews have suggested simplification of these rules and MPII recommends that the NRC consider this matter in its review with actionable steps to resolve this matter.

To what extent do you believe the plan has contributed to social outcomes?

MPII membership consists of areas of long established irrigation along with considerable areas that could be irrigated as either greenfield, or brownfield areas. However, due to many of the mechanisms in the WSP this development and its resultant positive social and economic outcomes has been reduced over the time that the WSP has been in operation.

The current WSP has continued to harm communities that depend on water from the Murrumbidgee WSP for irrigation, this is due to the reduction in water available for irrigation via a number of drivers,

- directly from the operation of the plan,

- via unintended consequences of more conservative WSP processes, and
- finally due to the external reforms, primarily the Murray Darling Basin Plan.

The impact on social outcomes from the Murrumbidgee WSP has been to continue to contract employment opportunities, reduce the diversity of employment opportunities due to fewer vertical and horizontal development of industry.

While there has been damage from the reduction in water available, the WSP framework has provided certainty for communities, this has resulted from the WSP framework for the hierarchy of water users in the system.

A considerable part of the harm noted above is due to the many mechanisms within the WSP to reduce consumptive water use and nil mechanisms to increase consumptive water use towards the relevant WSP limits or SDL. This has resulted in a downward spiral in water use and hence social outcomes within the areas that MPIO members operate.

MPIO urges the NRC to consider mechanisms to allow water use below the WSP limits to trigger options to increase water use by industry, this would give confidence to the community in its future.

To what extent do you believe the plan has contributed to Aboriginal Cultural outcomes?

MPIO understands that there has been little utilisation of the water available for Aboriginal Cultural outcomes under the WSP. While we are uncertain on the reasons for this lack of utilisation, we are of the view that this is an area of concern and the NRC should recommend that the reasons for this are investigated to ensure both the targeted outcomes can be achieved and the integrity of the WSP itself is maintained.

To what extent do you believe the plan has contributed to economic outcomes?

The framework that the WSP has delivered has supported economic outcomes to the extent that it gives clarity for all stakeholders. MPIO also notes that the WSP was tested during the millennium drought and while it was suspended to allow for the unprecedented low inflow situation, the intent of the WSP was respected and where possible the mechanisms of the WSP were adhered to. This suggests that the framework of the WSP is robust however MPIO takes issue with the ways the WSP manifests in reduced water use.

The WSP contains many mechanisms to reduce water use below WSP limits or the SDL, while MPIO has issues with this, it is understood why this is the case. MPIO does however take considerable issue with the consistent underuse of water in the Murrumbidgee, there are no mechanisms to allow water use to increase towards the limits. This results in economic outcomes being lost and the continued loss of these outcomes results in significantly reduced opportunities for our members and their communities.

MPIO is concerned about the issue of extraction rights and the potential for this issue to impact its membership, the current WSP has provision to allow for this to be implemented, however the NSW Department has not acted on this matter even with the encouragement from industry.

This remains a considerable concern for impacts on existing users and environmental outcomes if water extraction rights are not defined and there is and will be continued change in use, both location and rate of take from both environmental and consumptive users.

To what extent do you believe the plan has contributed to meeting its objectives?

As noted in this submission, the WSP has failed to meet the economic objectives of the WSP as the access to water for economic benefits have not been maintained by the WSP. As outlined in this submission there are a number of small improvements to the WSP that are available without impact on other objectives.

MPII would also be interested in the NRC's assessment of the effectiveness of the plan and its evaluation. It would also be suggested that some of this analysis could be conducted prior to the review to allow users to comment on the conclusions drawn by the NRC and where necessary additional information could be provided if necessary.

What changes do you believe are needed to the water sharing plan to improve outcomes?

As noted above the WSP provides a framework for all stakeholders and the wider community to have certainty around water availability and rules around water delivery. MPII has 3 key issues that can be addressed to improve outcomes from the WSP, these issues are,

1. Require options to allow consumptive water use to increase to the WSP and SDLs when the water use is consistently below these levels
2. Require extraction rights to be implemented before any adverse impacts occur as membership if MPII is particularly exposed in this area, due to its membership being diffuse and having long travel times for water delivery
3. Address issues around operation of environmental flow rules

MPII was involved in the review of the WSP and during a five year process the department effected no meaningful change and disregarded the industry representatives on the Stakeholder Advisory Panel. There have been more significant changes outside of the SAP process and this points to a disregard of the importance of the irrigation sector to the Murrumbidgee.

If you require further information, please contact myself on the details below.

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