

Victorian Farmers Federation response to questions on notice from Senate Inquiry into Water Amendment (Long Term Average Sustainable Diversion Limit Adjustment) Bill 2012 and Water Amendment (Water for the Environment Special Account) Bill 2012

**Do you believe it is likely that improvements in scientific knowledge and engineering works will result in less water being required to fulfil the environmental requirements of the plan?**

The VFF believes that there is the potential for improved and ongoing scientific knowledge to better utilise the water which has been acquired for the environment.

The VFF believes that there is currently the capacity to fulfil the environmental requirements of the Basin Plan, at the baseline of 2750GL return to the environment, with a wider array of environmental water products than simply the acquisition of entitlements from irrigators. We believe that engineering works play a clear role in being able to deliver water savings for accreditation under a sustainable diversion limit adjustment mechanism, and that this engineering knowledge should be optimised from day one.

The VFF are strong advocates of utilising engineering works within the Basin network to achieve the best possible efficiencies from the water which is available to the environment. We are merely seeking that the community expectations of water use efficiency irrigators are subjected to be also extended to environmental managers.

Given the contention around the ultimate volume of water which is required for the environment for the health of the Basin, the VFF firmly believe that embracing environmental efficiencies, alongside the water which has been recovered by the Commonwealth to date (and held by the Commonwealth environmental Water Holder) will be able to provide environmental outcomes equivalent to the 2750GL baseline, without undue social and economic impact on irrigators and regional communities.

**In your opinion what is the best way to measure the environmental health of the Murray Darling Basin System?**

Making an assessment of the environmental health of the Basin cannot simply be relegated to an expression of an arbitrary volume of water. Nor can there be a credible argument mounted to support the health of the system from the “bottom up”. Where an estuary is deemed to be healthy, there is no guarantee that upstream areas are not in decline from localised environmental concerns. It is concerning that this argument is mounted again and again by environment groups across the Basin. For this reason assessing the environmental health of the Basin must go further than volumes and flows and look at local management, vegetation on riverbanks and wetlands, bank stability snags and both terrestrial and aquatic flora and fauna.

The environment is cyclical. Water requirements of some of the Basins assets clearly reflect this- for example where there is a requirement for a one in ten year watering event. The ‘health’ of

the Basin is different at differing times and locations, so to pinpoint a mode of measurement is extremely complex.

The Basin is a living, working system which now supports numerous industries and communities. All these people wish to see longevity of the Basin and for this reason we must focus on delivering outcomes for the environment which do not compromise the ongoing viability of these members of the community.

Within the Victorian experience, programs to optimise environmental benefits have gained support from the community through a successful program of community engagement (through the Northern Region Sustainable Water Strategy) which harmonised the benefits for the environment with the socio-economic fabric of the community. The development of the Basin plan has suffered as this approach has not been adopted, and communities have not been engaged in a meaningful manner.

**Briefly, could you outline the positives and negatives of reducing system constraints to improve the movement of water within the Murray Darling Basin?**

The act of removing system constraints does not necessitate better environmental outcomes. The VFF is concerned that the suggestion to remove system constraints and the 'just add water' approach to environmental management within the Basin overlooks the impact on communities and landowners along the river reach.

Far better outcomes could be achieved with targeted use of environmental water through efficient delivery made possible with engineering solutions. Optimised outcomes can be achieved with improved management of water held by the environment, not simply by providing more.

The seemingly simple act of lifting the height of a bridge over a river to allow for increased environmental flows can have substantial impacts on the surrounding and downstream landowners and communities. Purchasing easements along these newly created floodplains does little to factor in the ongoing production loss from not farming these areas, nor the possible decrease in resale value of these properties.

Further, there are concerns around the liability for the flooding and other impacts which could result from the removal of perceived system constraints. This must be clarified as a matter of urgency.

**In your opinion, what is the best way from this point in time, to return environmental water to the Murray Darling Basin and why?**

Over 1,300,000 megalitres of irrigator entitlement is held by the Commonwealth Environmental Water Holder. A large proportion of this water, almost 45%, has been obtained from catchments in Victoria. From this and other committed projects, the VFF believes that the Victorian local catchment reductions have been well and truly achieved and water has already been recovered against the shared reduction.

Victoria is understandably concerned about the impact which the loss of even more water from Victorian irrigation districts will have on remaining irrigators and regional communities. The VFF

oppose Federal government water buyback programs. Any future recovery of water from Victoria must be limited to water efficiencies gained primarily through engineering works and measures and efficiency savings generated through improved management of the river system.

The VFF believes engineering works and measures and revision of the management of the river system are the best way to provide additional water for the environmental requirements of the Basin as they ensure the efficiency of application of water for the environment with very little social and economic impacts on the community.