



EF20/27

27 September 2023

Senate Standing Committees on Environment and Communications  
PO Box 6100  
Parliament House  
Canberra ACT 2600

### **Re: Water Amendment (Restoring Our Rivers) Bill 2023 - Submission**

We are gravely concerned with the Federal Government's proposed Water Amendment (Restoring the Rivers) Bill 2023 and believe that the impacts will be catastrophic for Basin communities like ours that rely on irrigation.

The Albanese Labor government has consistently reiterated its commitment to the regions, saying "no-one will be held back, no-one will be left behind". If the Bill in its current form goes through, this commitment will be very hollow as local economies that rely on agriculture and value-adding food and fibre manufacturing will be decimated and no amount of 'minimising the economic impacts' will come close to replacing the 1000's of jobs and significant export earnings that will be lost to the nation.

We implore the Federal Government, the Senate, the DCCEEW and the Murray Darling Basin Authority to seriously re-consider the proposed Bill.

### **Government needs to Reframe Basin Plan Progress To Date. It's actually pretty good!**

We find it disappointing that Government frequently refers to the Basin Plan as having failed. The reality is that a significant amount of water has already been recovered for the environment (4 Sydney Harbour equivalents – or 2,100 GL of the planned 2,750 GL), plans are afoot for SDLAM projects (with new options waiting in the wings), and many reports in recent years from the CEWH and regional EWAGS (Environmental Water Advisory Groups) celebrate significant improvements in natural habitats and species breeding.

Further, farmers in the Basin are employing some of the most innovative water efficiency measures and are indeed world leaders. For example, Australia's rice industry uses 50% less water than the rest of the world. There are many other examples of a genuine commitment to water efficiency by Basin farmers. These need to be publicly acknowledged and celebrated. Importantly, the work of finding further efficiencies by the agriculture sector is ongoing.

Information from NSW Irrigators' Council suggests that already only 28% of inflows into the Basin are used for farming, towns and industries, well within globally accepted standards. Also, 98% of Basin water recovery targets are completed (and open tenders are underway for the remaining 2% within current legislation and timeframes). This is good news and needs to be considered when revising policy or legislation.

The Murray Darling Basin Authority has made it clear that there is new science to be considered, which is progress in itself. This new science (social, environmental and economic) needs to be sorted first if intelligent policy is to be formulated that will genuinely deliver Australia's triple bottom line goals.

Most stakeholders (federal, state and local) continue to support the intent of the Basin Plan and have worked with Governments to achieve outcomes that are a win-win for all concerned. This collaboration needs to be acknowledged, celebrated and nurtured. Any new legislation or policy setting around water needs to have that same bipartisan support to be successful. (The new Bill is already causing unhelpful fractures to emerge.)

### **Government needs to Acknowledge the Facts and Entertain New Ideas**

Already the Basin Plan has cost Basin communities 10,000 jobs. The economic downsides of the new Bill have been independently modelled in work commissioned by the Victorian Government. It found that using buybacks to recover all outstanding water – as the new Bill allows for – would reduce economic output in the Southern Basin alone by \$855 million annually and put an end to a further 1,500 jobs. This is unacceptable and risks tipping over local Basin economies to the point of no return.

Already the CEWH is unable to use all its environmental water due to constraints. Chasing more water for the environment now, before constraints are addressed, is neither sensible nor responsible.

Continuing to chase a recovery number modelled over 10 years ago – at the expense of Basin communities and national export earnings - and not being prepared to wait to consider the latest facts is extremely short-sighted. This is not the time to bury heads in the sand. Full socio-economic analysis is required before resorting to buybacks and must be done in genuine conjunction with local communities and various commodity groups before being committed to legislation.

Further, there are other innovative options to explore for environmental watering in dry times instead of simply 'banking' more water at the expense of local economies. For example, alternative (temporary) market solutions for environmental water when absolutely necessary could be explored (as opposed to permanently reducing the consumptive pool).

There are several new infrastructure projects in the wings that could, if allowed, deliver environmental outcomes without the need for removing additional water from the consumptive pool. These must be explored first before sending local communities to the wall with further buybacks. Examples include :

- off-farm efficiency projects (eg. Murrumbidgee Optimisation Program proposed by the Murrumbidgee and Coleambally Irrigation Companies and the Reconnected Floodplains project proposed by Murray Irrigation Ltd).
- supporting further modernisation programs in irrigation districts (including private districts).
- other complementary measures that could deliver significant environmental outcomes and improved water quality, such as:
  - improving river operations that could free up more discretionary water for the environment
  - improving recognition of the effects of private partnerships including private property wetlands (estimated to be 93% of wetlands) and private watering arrangements with the CEWH (including via irrigation companies)
  - revisiting the carp herpes program to address degradation of in-stream habitat; exploring fishladders / fish passage at sites such as the weirs at Menindee, Balranald and Mildura; and expanding fish screening programs.

### **Conclusion – Do not proceed with the ‘Restoring our Rivers’ Bill in its current form**

We strongly oppose the progression of the ‘Restoring our Rivers’ Bill because enabling buybacks will destroy communities by eroding their food and fibre based economies, compromising food security, driving up the cost of water and losing valuable export earnings for the nation. Thousands of jobs will be lost, across agriculture, manufacturing and logistics.

The Bill does not have the full support of all the States which, to date, has been core to the success of the roll-out of the Basin Plan.

Changing long understood Basin Plan mechanisms to provide water for the environment by both removing the 1500 GL buyback cap and allowing 450GL efficiency water to now be bought back - especially without those buybacks being subject to the socio economic neutrality test - will drive uncertainty and hardship in local communities (farmers, industries and workforce).

The Government is reminded that former Water Minister, The Hon Tony Burke, said in 2012 in relation to the 450GL (late) amendment that ‘The rule is it can only come from methods that have no downside, social or economic, so that’s the rule.’ In supporting the Basin Plan to date, communities like ours have relied on this promise and, in good faith, expect the current Government to honour this promise too.

In addition to socio-economic devastation, buybacks will distort the water market and reduce the volume of food production in the midst of a domestic cost-of-living and global food security crisis.

We remain opposed to buybacks in any form and urge the Government to transparently demonstrate that it has explored and exhausted all options for efficiency and complementary measures before progressing any further with this Bill.

Devastating communities to meet volumetric outcomes that do not clearly deliver environmental gains is unacceptable to Basin farmers, industries and communities and makes no sense environmentally.

We do, however, support an extension to the delivery date of the Basin Plan and the inclusion of new projects / ideas to achieve increased efficiency measures and equivalent environmental outcomes. We think a two-year extension is unrealistic and recommend at least 4 years to allow sufficient time for the science to be reviewed (social, economic and environmental) and the feasibility of alternative SDLAM projects to be properly investigated, planned and delivered.

We would appreciate an opportunity to present our case in person to you and the Senate and would be willing to bring along commodity groups that share our Council's concerns about the Bill.

Yours faithfully

**Tony Reneker**  
**MAYOR**

**Jackie Kruger**  
**GENERAL MANAGER**