

## OPENING STATEMENT

To the House of Representatives Standing Committee on Regional Australia

9.50 am – 10.20 am Tuesday 25 January 2011

Yoogali Club Griffith

Submission No: .....	419-1
Date Received: .....	25/1/11
Secretary: .....	SL

Committee Chair and members.

My name is Gillian Kirkup and I am the Chairman of Murrumbidgee Irrigation Ltd. I am accompanied today by:

- Brett Tucker – Managing-Director, and
- Matt Linnegar - General Manager Corporate and Customer Operations

Our company is the largest water entitlement holder in the Murrumbidgee Valley. We are an unlisted public company owned by the 3000 irrigators we supply.

I would like to welcome you to Griffith and thank you for the opportunity to respond to your inquiry.

Mr Chairman, this region is purpose built – everything you see in the MIA has been developed as a consequence of the commencement of irrigation in 1912. The cuts proposed in the Guide to the Basin Plan will have a devastating effect on communities in our region.

We do not support the Guide in its current form because we believe it fails the test of good public policy. We also believe that the Murray-Darling Basin Authority has demonstrated that it is not equipped to deliver a sustainable and balance Basin Plan.

However, it is possible and technically feasible to deliver an outcome for the environment, communities and the economy through a balanced Basin Plan but there is a lot of work to do before we reach that point.

With your permission I am going to ask Brett to make a brief opening statement before we turn to questions.

**Mr Chairman it is important to understand the impacts in the MIA**

In real terms, reductions of the magnitude proposed in the Guide will result inevitably result in the closure of large tracts of the MIA. In support, I refer members to our confidential written submission and Map 1 from today's handouts. In summary, the system will not be able to support such low levels of water use - our average sales under the Plan will end up less than their level during the worst of the recent drought years. This will mean less food production with resulting flow-on economic effects, as well as higher water prices for those who remain behind.

Nearly 10 per cent of water entitlements in the MIA have already been sold to the government during the drought – this forms part of the 200GL reduction in average diversions for the Murrumbidgee since the introduction of the MDBC Cap. We are concerned that to continue this approach, as suggested in the Guide, will lead to the creation of unviable pockets of land and infrastructure with no water entitlement and high relative delivery losses. I refer members to Map 2.

Reductions of the scale proposed in the Guide will turn our successful business model on its head and put essential services at risk.

**Mr Chairman there is a way forward if we're prepared to think outside the square to achieve triple bottom line outcomes.**

Firstly, we need to dispense with the notion of passive river management. By their own acknowledgement at public meetings, the MDBA has not considered smart solutions to achieve environmental objectives with less water. They have simply relied on creating massive river flows to provide "overbank events" irrespective of the actual requirements for the target sites.

We have provided a map of Lowbidgee Wetlands as an example of the potential for smarter solutions. I refer members to Map 3.

Secondly, we need a commitment to infrastructure works to create savings and better coordination of these works with water buy-back programs – the random buyback program is creating a mess.

Thirdly, we need to take the time to plan properly. We need to do all the things that the MDBA has failed to do:

- undertake a detailed assessment of the current state of the Basin's environmental assets, people and communities including the recent record inflows and their impact
- set clear objectives and targets
- deal with constraints and trade-offs
- engage in a meaningful way with the communities that will be affected.

Finally, in the long-term we require a change to the Water Act to avoid a future plagued with uncertainty and potential legal challenge.

## **Conclusion**

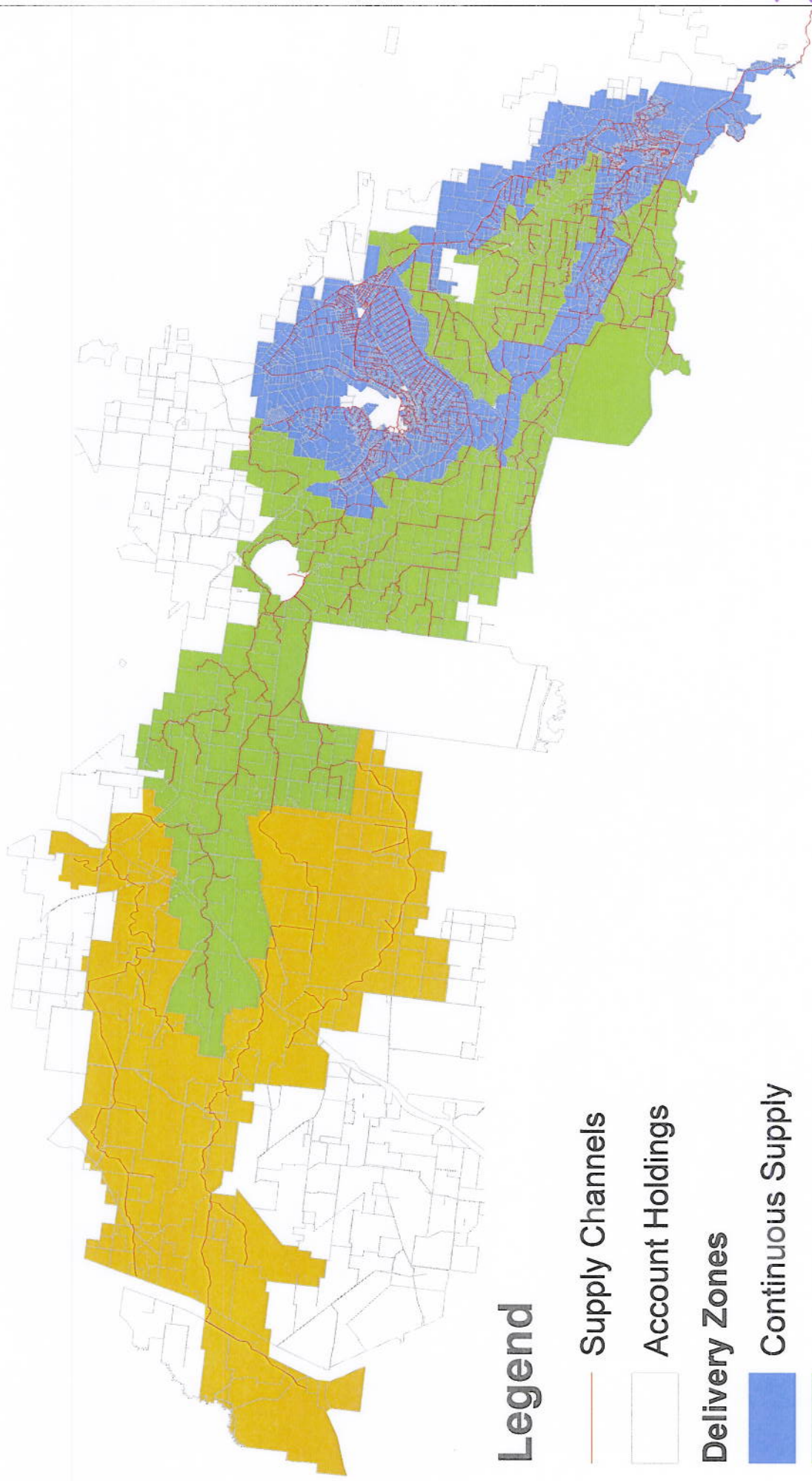
Mr Chairman, the proposed Basin Plan is neither innovative nor visionary. The plan will facilitate the displacement of communities on a scale rarely experienced in Australia and result in impacts beyond the boundaries of a Basin which produces one third of Australia's food supply.

What we need is a balanced plan based on common sense.

Thank you, we are happy to address any questions you may have.

MAP 1

# MIA Drought Management Map



## Legend

— Supply Channels

□ Account Holdings

### Delivery Zones

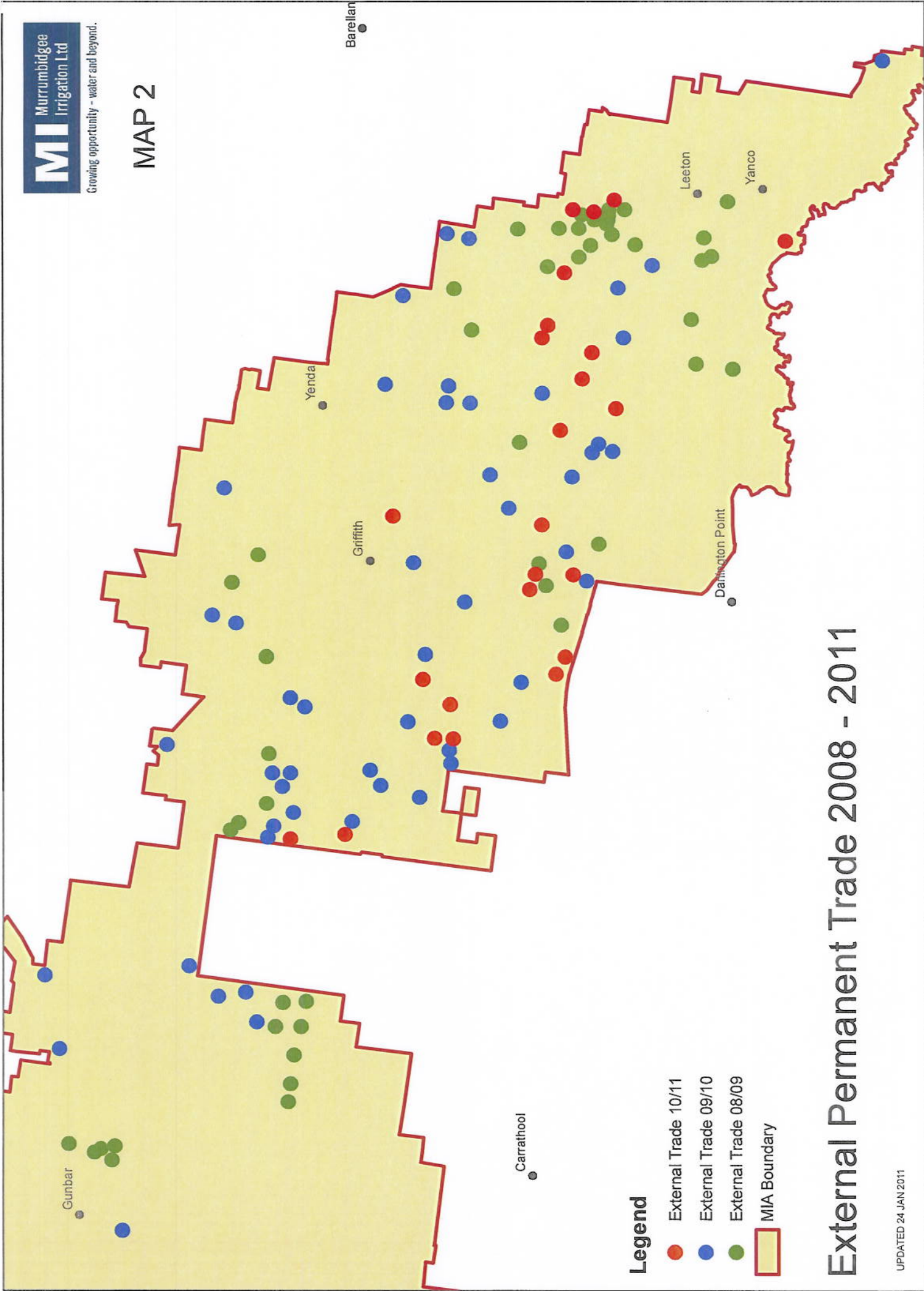
■ Continuous Supply

■ Rostered Supply Large Area

■ Rostered Supply (S&D)

Rec. 25/1/11  
Murrumbidgee  
Irrigation

# MAP 2



### Legend

- External Trade 10/11
- External Trade 09/10
- External Trade 08/09
- MIA Boundary

## External Permanent Trade 2008 - 2011

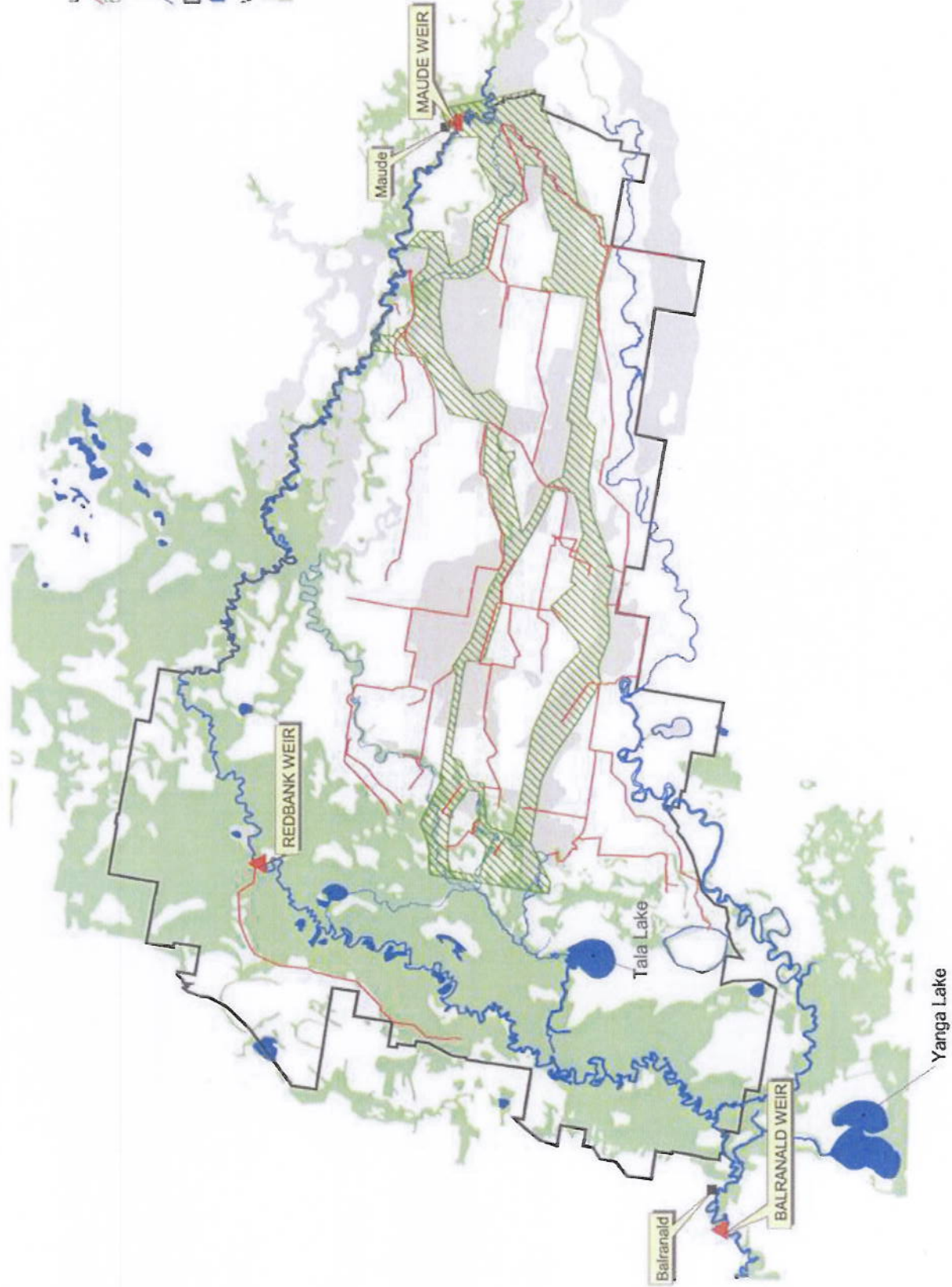
# MAP 3

## General Map of Lowbidgee Flood Control and Irrigation District

Figure 1.



- LEGEND**
- Major Irrigation Channels
  - Floodway
  - Towns
  - Major Weirs
  - Major River and Creek System
  - Lowbidgee F.C. & I.D. Boundary
  - Open Water
  - Vegetation Coverage in 1987
  - Legnum
  - River Flood Gum/Black Box



**SOURCES**  
This map has been prepared from data held on the Murray-Darling Program Copyright Information System at Lunenburg, 12th November 1989.

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