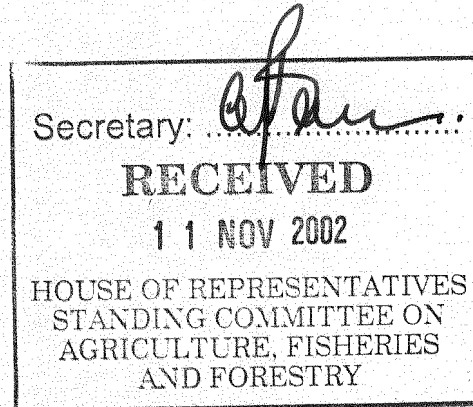


# IRRIGATORS INC



Submission

Federal House of Representatives Standing  
Committee on Agriculture, Fisheries and Forestry

Inquiry into

**Future Water Supplies for Australia's Rural  
Industries and Communities**

November 2002

**Member Organisations**  
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## **Introduction**

Irrigators Inc is the peak organisation representing the interests of more than 30,000 irrigators across the four states of the Murray-Darling Basin at both Federal and Basin levels.

The membership of Irrigators Inc comprises the four peak state organisations of South Australian Murray Irrigators, Victorian Farmers Federation, NSW Irrigators Council and Queensland Irrigators Council. Each of these state organisations provides three delegates who sit on Irrigators Inc. The organisation meets regularly, with each state organisation taking turns to hosting a meeting. Other interest groups are also invited to participate, including state Farmer organisations and industry/commodity groups.

Irrigators Inc aims to develop agreed positions on a range of natural resource issues within the irrigation industry and to work cooperatively with Governments to ensure the sustainability of the Murray-Darling Basin.

Irrigators Inc would like to thank the standing committee on Agriculture for the opportunity to put forward the perspective of the grass roots irrigator in the Murray Darling Basin. Irrigators Inc would welcome the opportunity to appear before the Standing Committee.

## **1. The effect of Commonwealth policies and programs on current and future water use in rural Australia**

Irrigation farmers in Australia are in the midst of a period of rapid change. The continuing downward trend in agricultural terms of trade combined with COAG Water Reforms and increased competition for water has lead to an uncertain future for many irrigators. This is making it difficult to adequately restructure their irrigation businesses.

- The individual states have undergone their own processes to achieve sustainable working rivers. In NSW the water sharing plans are in the process of being reviewed by the Minister. In Victoria, the Sharing of the Murray process was concluded several years ago. These state processes have involved major concessions by their irrigators. We now have, over the top of this, the major overhaul of rural water supplies by the MDB Ministerial Council.
- Federal and state governments are backing away from the Irrigation schemes they set up in the past. This is demonstrated by:
  - Grossly inadequate property right offered by the states, and
  - The argument between the state and federal governments as to who ultimately should bear the cost of any reconstruction.

- In all the processes to reclaim water for the environment, the only individuals with any financial commitment at stake (irrigators) have often had no say around the table. The irrigation industry has no representative at the MDBMC and this group is to decide on potentially huge water cuts that will inevitably come from irrigators.
- Other State agencies like Fisheries and Wildlife and Environment have the power to close down sections of the irrigation industry.
  - The NSW threatened species and vegetation legislations are examples.
- Rural communities are not fully aware of the major impacts that reduced water availability will have on them. This is due to a lack of socio-economic analysis of the impact of the water reform process.

## **2. The role of the Commonwealth in ensuring adequate and sustainable supply of water in rural and regional Australia**

The management of water resources in Australia has been dominated by interstate rivalry since federation. The states have been focused on using the resource to maximize economic and social development. The right to match the development in the other states is still an issue today. This has led to unique irrigation management systems in each state with little regard to cross border interaction between neighbouring interstate regions. A good example of this is the irrigation areas along the Murray. Goulburn Murray and Murray Irrigation share the same storage dams (Dartmouth and Hume), but operate incompatible systems. The major incompatibilities are:

- NSW have high security and general security licences, which differ markedly in yield and reliability to the Victorian sales and allocation system.
- Their pricing structures differ.
- The tenure and security of the rights to access water are different. This results in difficulties in establishing exchange rates between the different water products and only minimal trading between interstate irrigators.

There is a role for the Commonwealth to facilitate the establishment of common tradeable water products across the Murray Darling Basin. These water products must be backed by a secure property right system that is applied uniformly across state borders.

- The application of COAG water reforms has varied widely in all states.
  - The Commonwealth has failed to establish the principles that must be complied with to qualify for Commonwealth funding.

- COAG water reform has failed to provide irrigators with the property right as agreed in the 1994 CoAG Agreement
- Under the new NSW water Act the government can totally remove an irrigators access to water after ten years with no compensation.

*A clear hierarchy of water savings and efficiency measures should be established and agreed on by all States that has the erosion of water rights for entitlement holders as the last resort, only supportable if all other options have been exhausted and there is unequivocal, objective scientific evidence that further restrictions are necessary.*

### ***Vision for Irrigated Agriculture***

- We believe the way forward is through managing environmental and consumptive needs according to a clear set of agreed principles, developed collaboratively by Government, the irrigation industry and the community.
- Increased productivity through efficient and sustainable use of the resource.
- Provide a base for value adding.
- Support rural and regional communities in securing a viable future.
- The goal is to achieve healthy working rivers.
- The Commonwealth has a role in working with the irrigation industry and the community to develop a vision for irrigation in Australia
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### ***Healthy Working River***

- The current use of water has evolved with Government and community support and a huge investment by the irrigation industry;
- There is increasing awareness of the environmental impacts;
- River health can be addressed through other means such as improvements in the management of riparian zones and instream habitats;
- River health is not simply determined or achieved by simply returning more water to the river;
- Measures of river health must be objective, scientifically verifiable and achievable at least cost to irrigators' and the environment.

#### ***a. Management Approach***

An improvement in river health can be achieved by:

- Clear commitments that the whole community will bear the costs of reform.
- Stakeholders are engaged throughout the entire development and decision-making process.
- The engagement in more detail of primary stakeholders.

- All decision-making is based on comprehensive studies of ecological, social and economic science and that all studies are regarded equally in the decision-making process.
- Obtain scientifically valid environmental outcomes.
- Consideration of non-flow related options in achieving improved river health, eg riparian zone management.

## ***b. Process***

The process must include:

- A decision-making framework that:
  - Actively includes the irrigation community in a key role from the beginning.
  - Provides irrigation community with timely comprehensive information.
  - Allows the irrigation community to develop, evaluate and agree on preferred options.
- Adoption and implementation of a comprehensive, transparent and enforceable Public Benefits Test for all options.
- Agreements on the management and auditing of options against objectives.
- Clear specification and agreement on the benchmark on which new decisions are based.
- Clear specification and implementation by the each State of property rights in line with the CoAG framework.
- Comprehensive studies into ecological, social and economic issues, with the opportunity for public scrutiny of reports.
- A detailed review of the benefits of the existing Cap and environmental flows.

## ***c. Environmental Options***

The intention to improve Murray-Darling Basin river health must be achieved without impacting on the water available for productive use and consequently the well being of dependent rural communities. This can be achieved by:

- Infrastructure investment
- Operational efficiency improvements
- Ecological measures such as riparian zone management

Across the board cuts are totally unacceptable.

**3. The adequacy of scientific research on the approaches required for adaptation to climate variability and better weather prediction, including the reliability of**

**forecasting systems and capacity to provide specialist forecasts.**

- Irrigators Inc strongly supports Snowy Hydro's proposal to create additional water by cloud seeding in the Snowy Mountains.