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Qld Chicken Growers
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Qld Dairyfarmers'
Organisation

Pork Queensland Inc.

Australian Chicken
Meat Council

Flower Association of
Queensland Inc

11 September 2008

Secretary
Senate Rural & Regional Affairs & Transport Committee
Parliament House
CANBERRA ACT 2600

Dear Sir/Madam,

Re: Inquiry into the Murray Lower Lakes and Water Planning

Queensland Farmers' Federation represents the interests of 14,000 farmers in the intensive agriculture industry in Queensland. We have formed a Queensland Murray Darling Irrigators' Working Group including irrigator representatives from the various sub-catchments across the MDB in Queensland as well as representatives from industry commodity organisation. The attached submission is submitted by QFF drawing on the input from the irrigators' working group.

QFF is willing to provide further information or present to the Committee if the Committee requires it.

Yours sincerely,



John Cherry
Chief Executive Officer

Inquiry into water management in the Coorong and Lower Lakes by the Senate Rural and Regional Affairs and Transport Committee.

Submission by the Queensland Farmers' Federation

This submission has been prepared by Queensland Farmers' Federation with the assistance of irrigator members of the QFF Murray Darling Working Group. The key issues addressed in this submission in response to item 1 of the Inquiry are as follows:

1. A plan of action to address the emergency issues in the Coorong and Lower Lakes requires urgent attention and must allow for the Basin Plan to address longer term planning needs for the area in a Basin wide context.
2. Current agreements and arrangements for the preparation of the Basin Plan by 2011 must proceed and an effective planning process must be initiated.
3. The Northern Basin is not a 'value for money' source of water to meet environmental water needs in the southern Basin
4. Initiatives can be progressed now in the Northern Basin to enhance environmental flow outcomes and support the development and implementation of a Basin Plan

Item 2 of the Inquiry terms of reference will be addressed at a later stage.

1. Coping with the emergency in the Coorong and Lower Lakes

The submission by the Department of Environment, Water, Heritage and the Arts to the Inquiry highlights that if historical minimum inflows continue there are very limited options for sourcing additional fresh water in the short term to address the plight of the Coorong and Lower lakes as well as maintaining water supplies to meet critical human needs. The Department's report also indicates that work is proceeding on developing management options for submission to the Murray-Darling Basin Ministerial Council. A plan to address the emergency situation in the area should be prepared as soon as possible. The longer term management of the area should be addressed as part of the Basin Plan.

It is worth noting that there are options for water management within South Australia that can be pursued. Tightening water restrictions on Adelaide and reducing the 201GI critical needs allocation from the Murray for Adelaide might be the most cost effective short term means of getting large amounts of water into the Lower Lakes. Transmission losses would be much lower than on extracting water higher up the river, where 70-80% of water would be lost along the system.

The City of Brisbane, faced with a water crisis in 2005, moved to level 5 and then level 6 water restrictions. The public response has been enormous, cutting consumption from an average of 185 litres per person per day in January 2007 to just 120 litres in June 2008, a rate of consumption that has not changed substantially since Level 6 restrictions were eased in July.¹ Prior to the current drought, Brisbane water consumption was among the thirstiest in the country, with an average annual residential water consumption of 264 kilolitres per property in 2004-5. By 2006-7, this had fallen to 153 kilolitres, with 2007-8 likely to be even lower. Melbourne residential water consumption also fell from a peak in 2002/3, by 24% in City West (to 163 kL/property), 20% in South East (to 167kL/property) and 21% in Yarra Valley (to 178kL/property). By contrast, Adelaide residential consumers consumed 235kL/property in

¹ Queensland Water Commission data: www.qwc.qld.gov.au

2006-7, down 14% from the 2002/3 peak of 273 kL per property. If Adelaide residential consumers met the same reduction as Brisbane in the period, 55 gigalitres would have been saved – a quarter of Adelaide’s critical human needs take from the Murray (201GL). This represents 18 per cent of the amount needed to bring Lake Alexandrina up to sea level.²

Adelaide residents have enjoyed easier water restrictions and consumed a lot more water than Brisbane or Melbourne residents over the course of the 2002-2008 drought. During 2007, when Brisbane residents were required to water gardens with buckets, Adelaide residents could still turn on their sprinklers for up to 3 hours on weekends, and unlimited hand held hosing during the week. Currently, Adelaide residents are allowed to use hand held hoses for three hours on the weekends under ‘enhanced’ Level 3 restrictions, while Brisbane residents are able to use them for just 30 minutes under ‘eased’ Level 5 restrictions. In August, Brisbane’s dams held 735,000 ML (or 41.6% capacity), while Adelaide’s dams held 137 GL (or 69% capacity).³

AVERAGE ANNUAL RESIDENTIAL WATER SUPPLIED (kL/property)⁴

	2002-3	2003-4	2004-5	2005-6	2006-7
Brisbane	256	258	264	185	153
Adelaide	273	245	235	233	235
Melbourne (City West)	214	188	187	183	163
Melbourne (South East)	209	186	184	187	167
Melbourne (Yarra Valley)	225	204	193	198	178

2. Climatic Conditions in the Murray Darling Basin

The principal reason why there is not more water in the Murray Darling basin has been the lack of rain. The Murray-Darling basin in Queensland has been in grip of drought since 2002. While there were some summer falls in parts of the basin in 2007-8, the rains were not sufficient to generate substantial runoff, particularly in the Upper Condamine. The rains also came on the back of a prolonged dry period as demonstrated in the 36 month rainfall deciles for Queensland, which show that, even with the rains in the eastern part of the basin, the region as a whole still suffers from a severe rainfall deficiency. To recharge aquifers and floodplains, considerably more rain will be needed across the catchment to generate substantial runoff from Queensland.

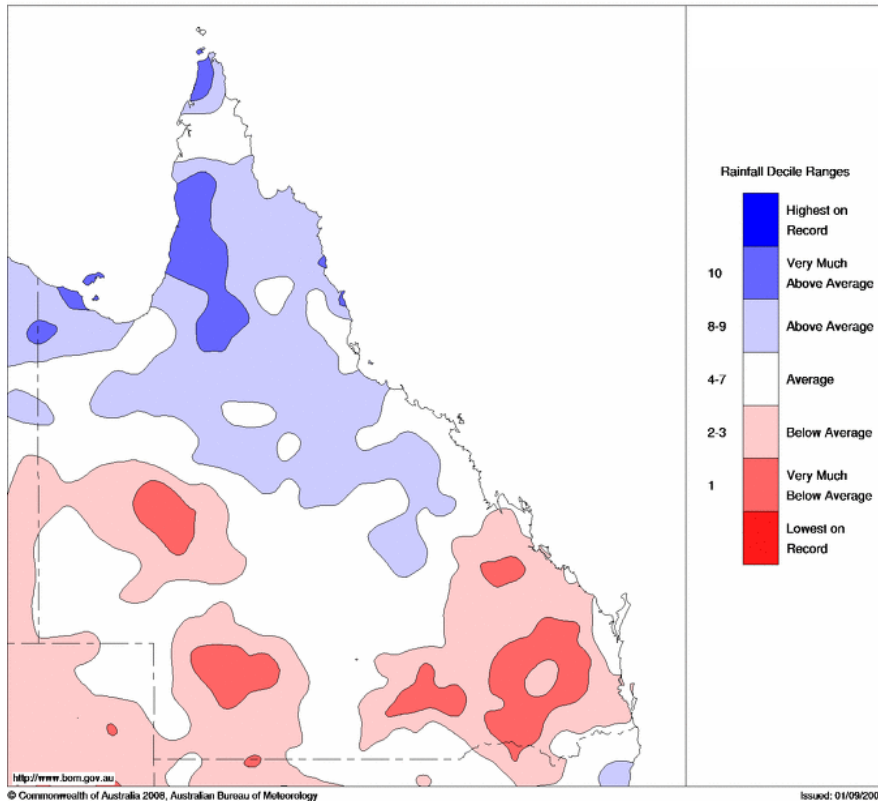
The Bureau of Meteorology’s latest rainfall outlook (26/8/08) for total spring (September to November) rainfall is neutral, with the odds close to 50:50 for a wetter than normal season, and slightly higher (55%) for a wetter season in south eastern Queensland. The approximate 30-day value of the Southern Oscillation Index (SOI) was +3 as at 23 August, while a mixed pattern of warmer and cooler than normal temperatures persists along the equatorial Pacific Ocean. Both these observations indicate a neutral climate pattern across the Pacific, which computer models indicate is likely to continue for the next few seasons.⁵

² MDBC Lower Lakes Fact Sheet 31 July 2008

³ www.seqwater.com.au; www.sawater.com.au

⁴ National Water Commission, National Performance report 2006-7

⁵ <http://www.bom.gov.au/climate/ahead/rain.naus.shtml>



3. The facts about Queensland water extractions:

Media reports have suggested that Queensland has been extracting large amount of water from the Murray Darling. While floods in the eastern part of the catchment allowed extractions of 1041 GL in 2007-8, the average over the previous three years was just 286 GI, less than half the diversions in South Australia in the same period, one tenth of the diversion in Victoria and one twelfth of the diversions in New South Wales. Queensland diversions are highly variable, reflecting the variable nature of flow events, which is reflected in the flow event management regime in the State's water resource plans.

MDB Total Water Diversions 2000-2008

System	2000-1	2001-2	2002-3	2003-4	2004-5	2005-6	2006-7	2007-8
NSW	7148	6735	4131	4118	3666	5038	2352	1500+*
Vic	3491	3834	2957	3207	3137	3267	2081	1400*
SA	662	621	737	612	623	590	627	
QLD	688	341	214	815	392	316	149	1041*
ACT	34	36	40	28	27	32	25	
Total	12023	11567	8079	8780	7846	9243	5234	

Source: MDBC water reports; *QFF estimates, irrigation water only)

It is also worth noting that in 2007-8, cross border flows from Queensland totaled 3271GI, 44% in the Paroo system, 39% in the Warrego, 13% in the Condamine/Balonne/Moonie system and 4% in the Border Rivers. Flood events mostly occurred in the western part of the catchment (Warrego, Paroo and Maranoa rivers). Continuing rainfall deficiencies are reflected in storages

in the eastern catchments (Leslie Dam 15% full, Cooby Dam 9.5%, Glenlyon 32%, Coolmunda 71%, Beardmore 41% as at 20/6/08).

4. Preparation of a Basin Plan by 2011

Care must also be taken to pursue current arrangements for the preparation of the Basin Plan by 2011 including the Water Act 2007 and proposed amendments arising from the Intergovernmental Agreement reached in July. QFF does not support calls for the preparation of an 'interim plan' as a minimum of 2 years will be required to conduct an effective planning process which:

- a. Allows for the delegation of powers to appropriate levels of government to facilitate practical and efficient implementation of the water planning reforms. The Commonwealth's role should be to effectively oversight water management of the Basin. Operational procedures, including water determinations under accredited water resource plans, should be carried out at State and State agency levels;
- b. Ensures that institutional arrangements provided for in the legislation do not result in duplication and inefficiency at the national level or between national and state levels and that operational, regulatory and policy making functions are adequately separated;
- c. Provides processes for consultation at catchment level in respect of all reports and data to be used in preparation of the Basin Plan and in the development of transition arrangements for irrigation districts requiring adjustments as a result of the Basin Plan.

In particular, it is essential that effective processes for consultation at catchment level are put in place which rigorously and iteratively engage local communities in the preparation and implementation of the Basin Plan and associated programs. There is a deep concern that any proposals for an interim plan will fail to bring catchment communities along as an integral part of the planning process. Consultation must account for the diversity across the Basin, particularly the differences between the Murray and Darling basins and address environmental, economic, social and cultural issues associated with the Basin Plan. It is important also that these processes provide for a two-way information flow – from governments to communities and communities to governments and particularly, make provision to adequately inform Basin communities of reports, data, planning and implementation proposals to enable their engagement and input into policy development and implementation. The outcome of consultation processes must be the sharing of knowledge between stakeholders and the development of a common understanding of the range of issues.

5. Northern Basin as a source of water for the environmental needs of the Coorong and Lower lakes

It is questionable whether water sourced from the Northern Basin would be assessed as value for money in meeting either the short or long term needs of the Coorong and Lower Lakes. Issues that warrant attention in making this assessment include:

- a. The flow pattern of the Darling is extremely variable. It has a maximum/minimum annual flow ratio of 2705 compared to 15.5 for the Murray.
- b. Water Audit Monitoring Reports produced by the Murray–Darling Basin Commission show that the average annual diversion in the Qld Murray Darling catchments over the period 1994-95 to 2006-07 was 484GL or 4.9% of the average annual diversion of all 5 Murray Darling jurisdictions.

- c. The Murray Darling Basin Commission has assessed transmission losses delivering water from the northern basin to the Coorong are of the order of 70 to 80% and are highly variable depending on antecedent flow conditions and flow volumes.
- d. In excess of 80% of Qld Murray Darling water entitlements access water from unregulated unsupplemented sources (ie water harvesting from river flows, overland flows and groundwater). When purchased without associated storages, these unregulated system entitlements offer the Commonwealth Environment Water Holder little or no management options such as flow volume or timing management.

In addition to these issues, the submission by the Department of Environment, Water, Heritage and the Arts to the Inquiry points out that the NSW water sharing plans would have to be suspended to allow water to be traded to the Lower Darling Regulated Rivers. Also water rights down the Darling would need to be appropriately adjusted so that downstream Darling irrigators could not access the flows. This would need to be done without negatively impacting on the rights of downstream irrigators. Given the variable nature of transmission losses, significant hydrological studies would be needed to underpin the appropriate adjustments.

It is questionable whether the cost of purchasing water in the Northern Basin given the ephemeral nature of flow in the streams is justified in terms of the capacity to deliver quantities at defined periods to meet the environmental needs in the Southern Basin. In addition, before making this decision there is a need to assess the benefits of acquiring entitlements to provide enhanced environmental flows within the Northern Basin.

6. Initiatives to enhance environmental flows in the Northern Basin

The Commonwealth is committed to proceed with water entitlement purchasing in the Northern Basin and has announced a new tender to open on 15th September for Qld and northern NSW areas of the Basin. This decision is supported but it is important that opportunities are provided to refine the purchasing program with subsequent tenders to ensure that the following issues are addressed:

- a. Environmental objectives defined in the current water resource plans for the Qld Murray Darling catchments must be respected. Additional environmental objectives and outcomes must be clearly defined and justified.
- b. Programs are developed to suit the needs of the Northern Basin by adequately providing for the ephemeral nature of stream flows and regulatory requirements to enable delivery in unregulated systems of flows for environmental assets. In particular, opportunities to purchase and deliver water from supplemented, unsupplemented and overlandflow water products from different locations in the Qld Murray Darling catchments to meet environmental objectives need to be thoroughly explored.
- c. Opportunities are investigated to improve irrigated agriculture production and the contribution this sector makes to regional economies. Economic and social impacts of the purchase program must also be monitored. Drought has impacted heavily on some communities and water purchasing could exacerbate longer term consequences.
- d. Engagement of irrigation communities in the development of the purchasing program

QFF and the Working Group is working with the Department of Natural Resources and Water to develop a joint program that will address these issues for the purposes of developing a response to both the water purchasing and water use efficiency programs in the Qld Murray Darling catchments. It is important that this initiative helps irrigators and their communities with the implementation of the Basin Plan and manage for the future impact of climate variability.