

## NATURAL RESOURCES COMMITTEE: MURRAY-DARLING BASIN (VOLUME 1)

13 May 2009

**Mr PEDERICK (Hammond) (11:41):** I rise to make a contribution to this debate on the 26<sup>th</sup> report of the Natural Resources Board—sorry, the Natural Resources Committee, I should say, not 'board' (I do not think the board could do anything so extensive), entitled 'The Fellowship of the River'. I commend the committee for having looked right throughout the basin. The basin is very diverse, but the management of the basin is also very diverse and therein lies the problem.

I agree with the member for Enfield that allocations have been handed out willy-nilly in the past. I have certainly had feedback from people who were the recipients of some of these allocations in northern New South Wales, and they said that 15 or 20-odd years ago, when this water was being handed out, it was just handed out like lollies and people grabbed it with glee. So, I do agree that it is not the farmers' or the irrigators' fault.

The legislators gave out this water and over-allocated the system. The planning has never been carried out in a fully holistic way throughout the basin. The northern basin is still going forward even after the so-called reforms of the last year. It is still unregulated above the Menindee Lakes, and we have the heavily regulated southern system, which obviously has tributaries that feed the Murray, the Murrumbidgee and the Goulburn.

However, there are many rivers and many tributaries that feed the upper reaches of the Darling: Culgoa, Warrego, the Minor Balonne and a whole host of rivers and creeks that feed through that flood plain country. People talk about climate change and climate variability, but what we have seen in the last couple of years is most of the rain falling in the northern basin up in Queensland, where thousands of gigalitres of water has been captured.

I have mentioned in this place before that, between 1995 and 2002, Queenslanders expanded their capacity up to 3,000 gigalitres of storage. You see it either when you talk to people up there or on programs, and it just goes to show what happens with irrigation and people's attitude. The member for Enfield was right when he said that everyone is very parochial about their water.

A guy in Queensland who was interviewed on a program on the ABC was asked whether he had ever taken any water illegally. He sort of grinned and said, 'I might have borrowed a bit.' That sort of attitude just does not get the system anywhere. Even Nathan Rees, when he was water minister for the state Labor government in New South Wales, went up to the Macquarie Marshes and said, 'We will control any more illegal banks that go in, but what has happened before this we won't worry about.' There were thousands of kilometres of illegal banks and diversions that can divert water out of the system.

I went through the area (and it is on my travel report) in July last year. I went through Bourke, Wilcannia and Tilpa on the way up there, and then flew up to St George and had a look at the vast amount of water that had been captured in that northern basin. Why did they capture it? Because they were allowed to by the government. However, that has accelerated the situation in the Riverland and the Lower Lakes with a lack of water coming down the system.

Previously, before there were so many diversions in the system, we used to get 15 per cent of our water out of the Darling. Now, apart from that, from the over-allocation that happens above the Menindee Lakes, the lakes are heavily manipulated so that we will never get any water past there because of the trigger levels to share the water between states and the parochialism of New South Wales. Once again, we have a state which, yes, is only standing up for its rights, but one has to question why it has to store 285 gigalitres for two years in the Menindee Lakes to make sure that Broken Hill gets 20 gigalitres.

This is where the infrastructure money, from the billions of dollars that were first promised by the Howard government and then taken up by the Rudd government to go into infrastructure spending should be spent: on upgrading infrastructure and installing pipelines where it is more vital. The problem I have seen (and I had a look at some figures this

morning) is that only a paltry few million dollars have been allocated over the past few years on the infrastructure spend in the eastern states.

It is interesting to note from conversations with people involved in water locally that they are finding that the cost of lining the big channels and putting some of these channels into pipes sounds as if it is getting prohibitive, but only prohibitive in the eyes of the people who are doing it. I think the problem is that this is where most of the savings can be put back into the river, and that would assist irrigators; it would assist people who rely on the system for stock and domestic water, and also the environment.

I agree with the member for Schubert: if we get enough water down here for the environment everyone will get on. We have a massive problem throughout the whole system where allocations are not even throughout the system. With high security water, the allocations are 100 per cent below the Menindee Lakes, 95 per cent on the Murrumbidgee and 35 per cent around Mildura, and what did we get? Eighteen percent or about 100 gigalitres of water out of all that is available in the Murray-Darling system.

It is said that 4,000 gigalitres have been extracted this season for irrigation, and our irrigators get 100 gigalitres. One has to wonder where is the fairness and equity in that. We have seen Riverland irrigators who have had to spend hundreds of millions of dollars trading in water from the Murrumbidgee and other areas. We have seen people in the Langhorne Creek and Currency Creek area (and I will speak about this later in another motion) who have had to invest millions of dollars to access water which they used to get under their water licence straight out of the river because of the situation of the Lower Lakes being destroyed by the lack of flow and the high salinity that is building up.

I note the comments earlier about Cubbie Station. Cubbie Station is not on its own up there. Yes; it is there only because it is allowed to take the water. Yes; it may have spent a lot of money on infrastructure, but it spends only \$3,700 a year to access close to Sydney Harbour's volume of water, which is 500 gigalitres. I think its licence is about 450 gigalitres. That is a vast amount of water.

I note the issues up and down the system. I have seen the devastation around Mildura and Bourke, but I have also seen the thousands of hectares of irrigated wheat. Irrigated wheat, to a dryland farmer (which is my background) just does not quite mix. I can understand why they are growing it, because I believe they are under financial pressure. In fact, a floodplains grazer at Wilcannia indicated to me that with a megalitre of water he could turn out \$60,000 worth of organic lamb, but a megalitre of water will only churn out \$150 worth of cotton.

As the member for Schubert indicated, we have seen, at the worst time in history, over-allocation exacerbated by drought and governments building a pipeline to Melbourne to take up to 110 gigalitres per annum of extra water from the system. This is one of the fundamental flaws of the new agreement. The tributaries are not taken in as a whole. The northern basin is not taken in for the mighty amounts of water that I believe will come in there and have done in the recent past into storages in the north. With the struggle that our system is having, especially when you think about the needs of the environment and that, apart from carryover water and what they can purchase, our irrigators have been starved to about 100 gigalitres of water, it is just outrageous to put in another city to take more out of the system. This just exposes the whole flaw moving forward.