

20 July 2009

Mr I Robinson
Commonwealth Environmental Water Holder
Department of the Environment, Water, Heritage
& the Arts
GPO Box 787
CANBERRA 2601

Dear Ian

A Framework for Determining Commonwealth Environmental Watering Actions

The National Farmers' Federation (NFF) welcomes the opportunity to make comment on the above framework.

NFF understands that this framework is seeking to establish a short term strategy until the Environmental Watering Plan embedded into the Basin Plan comes into force. To this end, and in the absence of more detailed ecological plans on a catchment or asset basis, it is perhaps the next best, least cost alternative.

It should be noted that in the development of this framework, and more importantly, the development of the Basin Plan Environmental Watering Plan, each environmental asset must have an individual asset plan (which should also include delivery mechanisms and potential delivery partners) and fully implemented MER program. This would assist prioritisation of assets for watering and in meeting the water use objectives listed in Section 3.

Matching water products (or trading water in from other connected systems) to environmental outcomes at specific sites will be an important part of the framework. NFF encourages the CEWH to also look at water products that are not widely used or accepted as appropriate for the environment, e.g. lease, forward contracts, options etc.

Many farmers and others who live and work in rural communities currently have a sense of isolation in the water reform process, exacerbated by the current lengthy drought. Farmers and their communities, nevertheless, are impacted by reforms and feel this most markedly in relation to the Commonwealth's Water for the Future acquisition.

While most farmers and their communities support the intent of the reform process, it is a measure of the difficulty in managing these tradeoffs.

One area that would be of particular assistance would be how to engage these communities in having “ownership” of the acquisition process and the application of this water to environmental assets across the Basin, particularly assets they know and care about. This notion of “ownership” is not well understood and accepted by Governments and herein lays the challenge.

One option may be to put in place a process that sees water returned to the environment primarily used on environmental assets within that catchment. Furthermore, engaging local communities in identifying environmental assets of value to them for use of the water will undoubtedly engender ownership. A prime example of this is watering of wetlands on private land within Murray Irrigation by the Murray Wetlands Working Group. Originally treated with disdain or distrust, this wonderful initiative had engaged local communities and farmers to deliver environmental outcomes.

NFF notes that such a process should not be burdened by red tape or be process heavy. Perhaps a process run by local Catchment Management Authorities (or even a competition like initiative) would suffice. Tying environmental watering objectives to local water resource plans and these outcomes would enhance local community ownership – particularly as these plans already have strong local ownership.

Specific issues that NFF do not see addressed by the framework include:

1. There must be a transparent process for accounting for environmental water, including type of entitlement and how these can be best used to address environmental needs, e.g. northern Basin un-supplemented water on a catchment or sub-catchment basis.
2. How to address the flooding risk of landholders by overbank flows as a result of environmental watering (i.e. it is the environmental water being delivered within a tight time frame that delivers an overbank flow).
3. There is much focus on the icon sites in the Murray River (and elsewhere in the Basin, identified as RAMSAR sites). It is important to recognise that there are many environmental sites important to different parts of the community. Undue emphasis on a few high profile icon sites should not be at the expense of other environmental outcomes.
4. A lot of public focus has been on over allocated systems and the need to better balance consumptive and environmental uses. However, not all environmental concerns are flow related. In delivering this shorter term framework and the longer term Basin Plan Environmental Watering Plan, a range of options to deliver environmental outcomes must be explored, i.e. do not attempt to resolve non-flow issues with flow solutions.
5. There is a lot of focus on the Southern connected system. In developing this plan for the Basin, northern Basin environmental assets, concerns, entitlement types etc must be included.
6. The environmental objectives of water resource plans must be included in the development of ecological priorities.
7. Adequate attention must be given to the river itself as part of the catchment system, i.e. do not focus entirely on high conservation value aquatic ecosystems such as RAMSAR sites.

8. The Murray system has a program of delivering engineering solutions to allow environmental water to be delivered using less water, i.e. pumps and infrastructure to get water to wetlands rather than supplying water to increase the river flow height. The remainder of the Basin does not have such initiatives and will undoubtedly lead to poor environmental outcomes and a waste of what little environmental water is available.
9. NFF notes the suggestion of the multiple use of water (assuming this is intended for multiple environmental sites along the river system). While this is commendable, it must also be recognised that in some system, return flows from environmental assets is already prioritised in water sharing plans to other uses (e.g. consumptive use by entitlement holders, of which the environment is included). To change this to targeting of environmental assets will have a negative impact on entitlement yield/reliability. If multiple environmental uses for return flows are introduced, the impact on entitlement reliability/yield must be recognised under the NWI risk assignment framework as a change of Government policy.
10. With the myriad of environmental water managers across the Basin, it is inevitable that there will be confusion, increased costs and decreased efficiency. This must be avoided. There is some merit in investigating whether the best outcome is one manager or multiple managers. It is critical that the expertise of environmental managers is improved. Recent failures like the fish kills in the Niemur River discredit the whole environmental flows program. Consideration of an Environmental Water Action Plan modelled on the NWC Groundwater Action Plan should be considered. A National Centre for Environmental Managers would have merit.
11. Use of environmental water will inevitably lead to increased system losses (such as transmission, evaporation and seepage). Such losses, which are environmental uses in reality, must be minimised to reduce third party impacts to other entitlement holders.
12. The framework notes the use of ecological character descriptions, particularly for significant sites such as Ramsar wetlands. NFF understands that these descriptions are not yet well documented or agreed; hence their use is quite limited at this stage.
13. Use of carry over provisions for non-entitlement water must avoid third party impacts to entitlement holders. Such water might include rules (or water resource plan) water which may or may not have existing carry over provisions. Where no carry over provisions exist, NFF does not support carry over. If carry over is provided, NFF supports the principle that in the event of a dam spill, non-entitlement (environmental) water must be the first water “spilled”. This is consistent with the current approach to the Barmah Millewa Forest and other environmental water provisions. Use of such provision must be modelled to track potential impacts to entitlement holders.
14. NFF notes the proposal to use models and tools to assist the CEWH in managing environmental water and its delivery. NFF would urge that, as these are not yet developed, a high priority is given to their development.
15. To ensure that there are no impacts to other water entitlement holders across the Basin, management (storage and use) of environmental water must be modelled against the water resource plans of each catchment. Where there is an impact, this must attract NWI risk assignment.

16. Recently, there has been agreement between NSW and the Commonwealth to shepherd environmental water beyond the source valley. While the intent of this initiative is to be commended, NFF must reiterate that such initiatives must have a neutral effect on entitlement holders – with no winners and importantly no losers through negative impacts to entitlement reliability or yield.
17. The document talks about key delivery partners but has no explanation of who these are. It would seem likely that this could include regional NRM organisations, but should also consider private delivery partners, such as irrigation corporations or indeed individual irrigators. These can be just as (or more likely more) efficient and effective as public partners.
18. The framework, in a number of areas, notes the deficiencies in data/information requirements and proposes action to rectify this. How these deficiencies are to be remedied is important, but more importantly, if these cannot be remedied until sometime in the future, how is the framework to be adjusted to make allowance for information deficiencies?
19. Important for the irrigation sector, and critical to the success of the framework, is timely decision making. This will provide certainty about access to water for consumptive purposes. Timing of environment use often coincides with planting decisions and watering decisions for permanent planting or dairy. An overly bureaucratic process which delays decision making will adversely affect entitlement holders. This is important across the Basin, particularly for access to un-supplemented flows and supplementary water where provided under State legislation and water resource plans.

Table 2 appears to have been constructed by persons somewhat naive of the allocation process. For example, forecast water availability is determined by assessing end of season storage levels (including who owns this water), catchment conditions (wet/dry and vegetation growth) to determine run off conditions, likely estimate of delivery (issued by state agencies), inflow patterns from Snowy Hydro (for southern system only), are system losses likely to be high or low, is there likely to be a flood event, and water resource plans (rules). This list is incomplete. The list of information sources should be expanded to include privately held information (e.g. irrigation corporations).

Over the past 20 years, irrigators have become very well informed about entitlements, water management and particularly allocations, including how they build and expectations of delivery in any given year. It might benefit those managing environmental water, to engage in a discussion with the sector on many of the issues raised in Table 2. In many ways, irrigators have in place even useful “rules of thumb” that can help in assisting understand likely delivery of allocation against entitlement.

This knowledge has been established by irrigators engaging with state based managers who make decisions against water resource plans. Such ongoing discussions also include River Water Murray staff for the southern connected system.

It should be noted that irrigation areas provide, particularly in times of extreme drought or dry conditions, key refuges and critical habitat. This could be enhanced using water delivered by irrigation infrastructure to those sites. Murray Irrigation has a good initiative for watering of wetlands on private lands or alternatively sites such

as Barren Box Swamp west of Griffith. These sites then could provide the basis for re-colonisation of other environmental sites when favourable conditions return.

The above is a preliminary analysis of the proposed framework. The NFF would welcome the opportunity to discuss this in more detail. Please contact me on 02 6273 3855 or dkerr@nff.org.au to arrange a suitable time.

Yours sincerely

A handwritten signature in black ink, appearing to be 'DK', with a long, thin line extending upwards and to the right from the end of the signature.

DEBORAH KERR
Manager – Natural Resource Management