

Submission

30 April 2018

Murray-Darling Basin Royal Commission
GPO Box 1445
ADELAIDE SA 5001

Via email: mdbroyalcommission@mdbrc.sa.gov.au

Dear Commissioners

Re: Murray-Darling Basin Royal Commission Issues Paper

The Queensland Farmers' Federation (QFF) is the united voice of intensive agriculture in Queensland. It is a federation that represents the interests of peak state and national agriculture industry organisations, which in turn collectively represent more than 13,000 primary producers across the state. QFF engages in a broad range of economic, social, environmental and regional issues of strategic importance to the productivity, sustainability and growth of the agricultural sector. QFF's mission is to secure a strong and sustainable future for Queensland farmers by representing the common interests of our member organisations:

- CANEGROWERS
- Cotton Australia
- Growcom
- Nursery & Garden Industry Queensland (NGIQ)
- Queensland Chicken Growers Association (QCGA)
- Queensland Dairyfarmers' Organisation (QDO)
- Australian Cane Farmers Association (ACFA)
- Flower Association
- Pork Queensland Inc.
- Queensland United Egg Producers (QUEP)
- Bundaberg Regional Irrigators Group (BRIG)
- Burdekin River Irrigation Area Irrigators Ltd (BRIA)
- Central Downs Irrigators Ltd (CDIL)
- Pioneer Valley Water Cooperative Ltd (PV Water)
- Queensland Chicken Meat Council (QCMC)

QFF welcomes the opportunity to provide a submission to the Royal Commission on the operations and effectiveness of the Murray-Darling Basin system. This submission focuses on the 'areas of particular focus' outlined in the Issues Paper. QFF provides this submission without prejudice to any additional submission provided by our members or individual farmers.

The united voice of intensive agriculture



Process used to determine the “Environmentally Sustainable Level of Take”, the Northern Basin Review and Water Recovery to date

QFF has supported the Northern Basin Scientific Review from the outset because further scientific investigation was needed to check whether the targets set in the Basin Plan for water recovery, particularly in the Condamine Balonne and the Barwon Darling, were appropriate. The review improved the information required to make decisions on water recovery considering environmental, economic and social and cultural outcomes. Three years of investigation has informed the findings of the review to propose a revised SDL of 140GL made up of a local reduction of 123GL and shared reduction of 17GL. These findings reflect the need to achieve a balance across environmental, economic and cultural outcomes in setting SDL targets.

The review also highlighted the significant economic impacts that would be incurred to achieve environmental flows for several environmental assets. QFF has been concerned for some time about the achievement of catchment environmental health relying heavily on environmental flow measures. QFF submits that alternatives to maximising environmental water flows are needed in the Queensland Murray-Darling. Cotton Australia has been seeking a commitment to investigate and implement measures that will complement hydrological solutions to address environmental issues such as turbidity, fish, vegetation, macroinvertebrate and physical form.

In addition, it will take considerable time to see environmental outcomes achieved from environmental watering programs in the Northern Basin. Environmental water which has been recovered in the Queensland Murray-Darling Basin are ‘held’ as entitlements by the Commonwealth Government and managed by the Commonwealth Environmental Water Holder (CEWH). Most of this water is unsupplemented (unregulated) water allocation which can be taken at specific flows levels. Only a small volume of supplemented (regulated) water allocation is held in both the Condamine Balonne and Border Rivers plan areas. The availability of this water depends upon the availability of water stored in dams managed within water supply schemes and the volumes that can be taken in any year are subject to defined instantaneous, daily, annual and multi-year volumetric limits. Held environmental water is best used in the Queensland Murray-Darling to enhance natural flows of planned environmental water given the ephemeral nature of water courses and wetlands.

QFF supports the implementation of a toolkit of measures as another option to address environmental outcomes beyond 2019. These measures offer an alternative to direct water recovery and further negative impacts on local economies. There has been limited progress on the implementation of these measures because of funding and time constraints since the completion of the review.

There are still significant quantities of water to recover to implement a target SDL of 140GL for surface water and outstanding ground water targets. These recovery programs will have further significant impacts on local communities. QFF submits that more time is needed to continue the implementation of current and improved water recovery programs and to allow implementation of catchment plans.

36 Supply Measure Projects and Recovery of 450GL for Enhance Environmental Outcomes

QFF recognises that there is little has been little detail released on the business cases for the 36 ‘supply’ projects to date. While it would be preferable to have more information on these projects, the time constraints under which the program has been operating to meet the requirement of the Basin Plan must also be considered. The absence of this information does not put the Plan at risk because if the modelled environmental outcomes are not achieved by 2024, the Murray-Darling Basin Authority (MDBA) will have to take this into account in assessing the achievement of the SDL.

Deadline for Water Resource Plans

The Queensland Government's draft water plan for the Warrego, Paroo, Bulloo and Nebine catchments was accredited by the Commonwealth Government in June 2017. The draft plans for the Condamine Balonne and the Border Rivers Moonie catchments were released on 11 April 2018 with submissions due on 1 June 2018. The aim is to have the plans finalised for submission to the MDBA in early 2019.

From a brief review, it appears that the draft plans address the important accreditation tests; i.e. no less protection of environmental water, plans limiting water use at no growth, engagement of Aboriginal peoples (see below) and continued monitoring of identified risks. The new science from the Northern Basin Review appears to have been particularly valuable for planning work dealing with environmental economic and cultural issues. QFF recommends that the Royal Commission review the draft plans, giving attention to the following features:

1. Technical reports and science underpinning the planning process including hydrologic assessments, environmental assessment reports, socio-economic reports, Aboriginal water needs report, long term watering plans and risk assessments.
2. Key changes and improvements to the plans including definition of social, economic, environmental and cultural outcomes, simpler and targeted environmental flow objectives and water allocation security objectives, measures for metering, monitoring, reporting and unallocated water for Aboriginal and community purposes and new water sharing and trading rules for groundwater.
3. Specific measures to improve transparency and accountability including measurement of overland flow water and measurement of water allocations and groundwater licences, identification of works for taking overland flows in the Granite Belt, annual reports on water use and recording and publication of flow management decisions in the Lower Balonne.

These issues will drive interest in the consultation process which has already begun. However, uncertainty regarding meeting the SDLs is a significant risk which could delay implementation of the plans. There is no doubt that this will be a significant issue during consultations on the draft plans.

Views of Indigenous Peoples

As part of the preparation of the draft plans for the Condamine Balonne and the Border Rivers Moonie catchments, a significant program of engagement was conducted with the 12 Aboriginal nations that would have an interest in these plans including representatives from NSW. A report entitled 'Aboriginal Peoples Water Needs in the Queensland Murray-Darling Basin' has been released as is available on the Department of Natural Resources, Mines and Energy website. This report details the full extent of the consultation undertaken and how the draft plans address the cultural flow issues raised by the communities.

This approach is in keeping with draft amendments to the *Water Act 2000*, which more clearly defines Aboriginal cultural water needs. These amendments are expected to be introduced to the Queensland Parliament soon, having been held over from the previous 55th Parliament.

Environmental and Ecological Health of the Murray-Darling Basin

Under the provisions of the *Murray-Darling Basin Plan 2012*, the Queensland Government is required to define annual environmental watering priorities for surface water in each water plan area. These priorities must specify watering priorities for environmental assets and ecosystem functions in accordance with the principles included in the Basin Plan, which also assists the MDBA to make decisions about the management and use of Commonwealth and other environmental water holdings.

This process must address the MDBA's Basin-wide environmental watering strategy and take in to account the expected availability of 'planned' (rules-based defined in catchment water plans) and 'held' environmental water (entitlement-based held by the CEWH). The annual environmental water priorities must be in accord with the long-term watering plan for each Commonwealth water resource plan area and the Commonwealth-accredited water resource plan when in place.

Queensland's existing annual environmental watering priorities for the Basin address environmental watering arrangements provided for under the Queensland Murray-Darling Basin catchment transitional water plans and the Warrego, Paroo, Bulloo and Nebine Water Plan 2016 which has now been accredited. These annual priorities aim to protect, and if possible restore, natural flow regimes to support high value environmental assets and critical ecosystem functions. This approach is similar to that prescribed for the Basin Plan. The transitional plans recognise the need to strike a balance with meeting industry and the community needs for secure and reliable water supplies.

The transitional water plans, and in particular the associated resource operations plans, define water sharing rules, infrastructure operating rules and flow event management rules. These rules are designed to achieve specific environmental flow objectives at selected nodes within each river catchment to support identified environmental assets and ecosystem functions, while maintaining the performance of consumptive water entitlements. The resource operations plans like the water plans have been developed based on scientific investigation and widespread community engagement.

This rules-based approach for the provision of 'planned' environmental water is appropriate for the Queensland Murray-Darling Basin catchments, which have ephemeral watercourses and wetlands compared with the southern Basin. This significantly limits using in-stream storage infrastructure to regulate flow which makes it difficult provide water on an annual basis to targeted priority environmental assets and ecosystem functions. However, this approach is suited to providing environmental water as part of variable natural flows to meet longer term environmental objectives and outcomes.

The draft Condamine Balonne and Border Rivers Moonie plans provide for an improved approach to the preparation of Long Term Watering Plans which set objectives, targets and watering requirements for key assets. Key components of the catchment based Long Term Watering Plan are:

- Performance monitoring – ecological monitoring as part of The Environmental Flows Assessment Program.
- Environmental assessment – assets and risks to assets from water delivery and management.
- Water planning – environmental outcomes and targets and environmental strategies and measures.
- Operational rules – Water Management Protocols, Resource Operations Licences and Distribution Operations Licences and monitoring for planned and held environmental water.
- Consideration of Commonwealth Environmental Water Delivery.

Ecological assets are sensitive to flow management across a range of flows. The watering plan addresses the ecological objective and target and environmental watering requirement for specified priority ecological assets and functions and any additional appropriate water plan measures and rules. The plans are supported by a range of technical assessments and 5-year Water Planning Science Plan.

Draft Healthy Water Management Plans developed by Queensland Department of Environment and Science have also just been released to help better coordinate environmental water planning and management with natural resource management programs.

QFF submits that it will take time to see the benefits of a planned approach to environmental watering. The current transitional water resource plans have defined monitoring, evaluation and reporting arrangements. The process of review and accreditation of Queensland Murray-Darling Basin catchment plans will provide the opportunity to improve monitoring reporting and evaluation having regard to the

improved science generated by the Northern Basin Scientific Review. It is recommended that the Royal Commission review arrangements in the accredited water plan for the Warrego, Paroo, Bulloo and Nebine catchments. It is understood this approved framework has been proposed in the Draft plans just released for the Condamine Balonne and Border Rivers Moonie. All these plans are subject to a 5-year review of performance.

Illegal Take

The Four Corners program “Pumped” in late July 2017 has initiated investigations into compliance, metering and the management of environmental water, particularly on the Barwon-Darling.

The Queensland Government is currently undertaking an Independent Audit of Water Measurement and Compliance across Queensland; not just in the Queensland Murray-Darling catchments.

QFF supports this audit, which aims to investigate any limitations of the current management arrangements and to make recommendations regarding improvements that may be necessary. The audit will also contribute to the Commonwealth Government independent review of the ABC Four Corners program.

The scope of the audit is comprehensive and covers the adequacy of governance and regulation, and the metering and measurement required to implement water plans and regulations. Effective management of compliance and water measurement and monitoring technology will also be investigated. Recommendations for improvements is to include estimates of the costs of establishing and operating proposed reforms.

Constitutional basis for the Water Act

At this late stage in the Basin planning process, QFF questions the need and value of a review of the external affairs power to vest more power in the Commonwealth Government for the implementation of the Basin Plan.

QFF submits that significant progress can be made in the Queensland Murray-Darling catchments with the implementation of the draft water plans and any extension of time required to meet revised SDLs.

If you have any queries regarding this submission, please contact Ian Johnson

Yours sincerely

Travis Tobin
Chief Executive Officer