Murray Irrigation Limited

Registered Office:
443 Charlotte Street DENILIQUIN NSW 2710
PO Box 528 DENILIQUIN NSW 2710
T. 03 5898 3300 F. 03 5898 3301
www.murrayirrigation.com.au

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Committee Secretary
Senate Standing Committee on Environment, Communications and the Arts

Email: eca.sen@aph.gov.au

Murray Irrigation Limited - Submission to the Senate Environment, Communications and the Arts Legislation Committee
Water (Crisis Powers and Floodwater Diversion) Bill 2010

Murray Irrigation Limited is an unlisted public company that supplies irrigation water and associated services to 2,400 properties in the southern Riverina. Murray Irrigation also supplies bulk water supplies to four townships in the company's area of operation. Murray Irrigation's irrigator customers are also shareholders of the company. In 1995 Murray Irrigation's customers' statutory water rights were converted to contractual water rights when the ownership of the NSW Government owned and operated Murray Irrigation Area and Districts was transferred to its irrigator customers.

Murray Irrigation's area of operations is 748,000ha and its water licences represent 66% of NSW Murray Valley General Security entitlements. Prior to Governments' purchasing water entitlements for environmental purposes Murray Irrigation water licences represented 71% of NSW Murray Valley General Security entitlements.
Murray Irrigation is a member of both the NSW and National Irrigators' Councils, both of whom have provided the Senate Standing Committee with detailed submissions in relation to the Water (Crisis Powers and Floodwater Diversion) Bill 2010. Murray Irrigation supports and has contributed to the arguments in these organisations' submissions.

The reasons for Murray Irrigation making a separate submission to the Senate Standing Committee are to support the arguments presented by both the NSW and National Irrigators' Councils and to confirm their recommendations that the Senate Standing Committee reject in its entirety the Water (Crisis Powers and Floodwater Diversion) Bill 2010.

If the Bill was to be enacted as proposed it would undermine the very basis of Murray Irrigation's business, the businesses of its customers and the social and economic fabric of the irrigation dependent communities centred around the towns of Deniliquin, Finley, Barham, Jerilderie, Wakool, Moulamein and Tocumwal in southern NSW.

The Bill undermines the principles established and refined by successive Council of Australian Governments decisions that are contained within the National Water Initiative and to extent more recently in the Water Act 2007 (Cth).

Senators should not be captured by the proposition that South Australia has suffered more through this recent drought than elsewhere.

In 2006 Murray Irrigation and its customers had a zero allocation, in the same year the NSW Government was forced to suspend access to carryover and traded water by 50%. The emotional and economic hardship this situation caused was significant.

Since 2006 Murray Irrigation and its customers have received zero percent allocation, nine percent and 27 percent allocations.

The recent years of record low inflows in the River Murray system have caused significant environmental damage and social and economic hardship across the Murray-Darling Basin. The consequences and impacts of these record low inflows are not confined to South Australia.

In Murray Irrigation's opinion the collective action of the States when faced with severe water shortages has resulted in the States co-operatively making decisions that have optimised access to limited water resources for critical human needs and allowed the annual water market to operate to move water to its most economic use. Earlier this year the States acted co-operatively to provide additional water to the River Murray in South Australia from the Darling River system. These decisions have also been made whilst largely still respecting the rights of each State and the rights of different entitlement classes within each state, which is fundamentally important to underpinning investor confidence in all of these entitlements.

In 2008, the *Water Act 2007* (Cth) was changed to provide an improved legal framework for decision making when water resources in the River Murray system are limited.

The proposed Bill would allow actions that are more aligned to what Australians would expect from a dictatorship not from a democratically elected government.

Murray Irrigation recommends the Senate Committee rejects this Bill in its entirety.

Anthony Couroupis
General Manager