

Submission to DEWLP on Goulburn to Murray Trade Rule Review

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This submission has been prepared at short notice given the lack of notice of the consultation. A cohesive proposal needs to be available for comment that sets out clearly the changes proposed for the Broken Creek. There appears to be some disparity between what was presented at this consultation meeting and earlier documents and the proposals are being developed “on the run” and therefore those making submissions do not have a firm and detailed proposal on which to comment.

Lack of support for underlying assumptions

While the subject of the consultation is the Goulburn to Murray Trade Rule Review, this review appears to assume that there will be a significant change in operation of the Broken Creek. The main change appears to be to convey much increased volumes of water to the Lower Murray, providing a low-cost option for bypassing the Barmah Choke.

Such a change should only be proposed after significant hydrological investigations have been undertaken and proposals made for the proposed maximum flows, timing of these flows, peak daily flows and an assessment of the potential impact this will have on existing irrigator access to water under their Delivery Share and entitlements and on the Creek banks.

Environmental assessment would also be required as the Creek is being increasingly recognised as an important environmental asset in north-east and northern Victoria given that it provides a link between the Barmah Forest and the Victorian highlands. For instance, at present the Creek has natural and government installed snags to encourage fish and other aquatic life, and this may be inconsistent with the objective of using the Creek as a high-volume channel.

Economic impact

The proposed change in the trading rules appear to have a major economic impact on irrigators with Delivery Share on the Creek:

Access to water markets

Many of the Broken Creek irrigators rely on their existing access to water markets to purchase Murray and Goulburn allocation. As was discussed at the consultation presentation meeting the proposed rules places severe new restrictions on the trade and therefore would result in a substantially higher cost of water in irrigated industries that have a limited capacity to pay higher costs.

Reduced value of irrigation properties

The proposed restrictive trading rules would reduce the value of properties because of the restrictions on obtaining water when it is required.

Process

DELWP's objective of finalising the rule changes recommendations by July seems highly optimistic given the likelihood of appeals by Delivery Share owners along the Creek and the time that this process will take.

Conclusion

This submission is that there be no change in the trading rules.