

WITNESS STATEMENT

Name: Rachel Strachan
Occupation: Lower Darling Horticulture Group- Irrigator
State: New South Wales

1. My name is Rachel STRACHAN and I am providing this statement to staff of the Murray-Darling Basin Royal Commission (**Commission**).
2. I provided a submission to the Commission dated 21 March 2018, in my capacity as a member of the Lower Darling Horticulture Group (**LDHG**). The submission was drafted in collaboration with another of the LDHG members, Mr Alan Whyte (**submission**).

Background

3. My family's property is downstream of Menindee Lakes on the Lower Darling Influence.
4. The nearest township is Pooncarie, which is very small. Mildura is our main service town, about an hour drive from our property.
5. We have farmed there since the 1980s – irrigated citrus, wine grapes and some dryland cropping. Citrus has been grown on the property since the 1920s.
6. The citrus and grapes are permanent plantings that need water continuously. Until recently this has been provided by regulated flows from the Menindee Lakes Scheme. In recent years of periods of low or no flow, we only have had the ability to irrigate as a result of temporary block banks constructed by the NSW government, enabling a reserve of water for our permanent plantings. For this reason, the low flow periods are a massive problem for our farming business.
7. All of our citrus is exported via a fruit company based in Mildura, and all of our grapes go to a winery near Redcliffs. We also sell our sheep through Mildura, and all of our grain, wheat and barley in Victoria, but we rely on the New South Wales government and MDBA to make decisions impacting the river flows and our water supply.

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Recent changes to policy and operations affecting the security of water supply (p 4, submission)

8. I have referred in the submission to changes to policy and operations, which have affected the security of water supply. This is a massive issue in the Lower Darling.
9. Historically it took 50GL per annum to run the Anabranh and provide for stock and domestic use. Under The Living Murray (TLM) project, they piped the Anabranh stock and domestic supply and created a 47,800ML general security licence. Originally that water was for stock and domestic use and was not tradable and non-transferable. However, the government turned it into a general security licence that was to be used to water icon sites downstream in the Murray River. There are no icon sites in the Menindee or the Lower Darling area.
10. The TLM water became a general security licence that allowed water to be transferred out of the valley to sites on the Murray River.
11. That development completely changed the water characteristics of that entitlement.
12. The Commonwealth purchase of Tandou's water is another example of this. Tandou's water has always been delivered out of Lake Cawndilla. Because Lake Cawndilla is not connected to the main Lower Darling River, you can't normally deliver water out of Lake Cawndilla down the Lower Darling River.
13. Historically Tandou has always taken water from Lake Cawndilla. Now that the Commonwealth Government has bought that water, they'll be delivering it from Lake Pamamaroo and Wetherell which provides our secure water supply. That's another 20GL of water that's got to be supplied from the upstream lakes that provide our drought security and that's going to provide for more Murray outcomes while diminishing ours.
14. So this has changed the characteristics of that water entitlement which was only ever delivered out of Lake Cawndilla.
15. These changes are having detrimental effects on irrigators of permanent plantings on the Lower Darling, because they're pulling more and more water out of Menindee Lakes. It might be legal, but it is having an impact on our security of water supply.

Longitudinal connectivity in the Barwon-Darling and Lower Darling Rivers (p4, submission)

16. I am concerned that there is no recognition of the connectivity between the water resource plans for the Barwon-Darling, the Murray Lower Darling and the Northern

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Basin tributaries, and doesn't provide the basic flows that the river needs. Without these we don't have a river.

17. I am the Lower Darling representative on the Advisory Panel for the Water Resource area plans (NSW Murray and Lower Darling water resource area). We maintain that it needs to recognise there is connectivity all along the Darling and that it should be treated as one system for planning purposes. The plans should require that a specified minimum flow must pass Wilcannia before low flows can be extracted upstream.
18. There is an embargo system that operates at the discretion of the Minister, to protect low flows. However, that system has not been applied recently, and has only recommenced use following the 2017/2018 MDBA reports that water was not flowing down, and reports about the changes to the Barwon-Darling plan.
19. Recognition that connectivity should be achieved first, by understanding that prior to the 2012 changes to the water resource plans in the Barwon-Darling, an A-class licence was a "Ram Paddock Licence", intended for the preservation of the breeding stock in a drought and was limited to pump size. You couldn't store it on farm or trade it so it was basically just a high security licence but still allowed water to flow. A-Class licences had a total entitlement of about 9,000ML and may have been diverted in a low flow event, but only about 4,000ML was ever used.
20. Following the changes to the 2012 Barwon Darling Water Resource Plan, diversion of water under A-Class licenses has now increased up to 27,000ML, as a result of the introduction of carryover of up to 300%. As a result, they're using A-Class licenses for irrigation and to access those low flows, store or finish off an annual crop.
21. So you've gone from an average of 4,000ML pumped out through a restricted pump size to people being able to start up any size pump to extract 27,000ML, put it into a dam and/or trade it. It's having a massive impact when you've got a small event that historically passed through that section of the river.
22. We found out about the changes to the 2012 Barwon-Darling Water Share Plan after they had been implemented, in nearly 2015. I think that amounts to very poor consultation. Government brought in major changes that weren't supposed to have third party impacts. However, it has had massive third party impacts on the Lower Darling, which haven't been taken into account because we're outside their water resource sharing plan area. This highlights the failure to recognise the connectivity of one part of the river with another.

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Barwon-Darling Water Resource Plans

23. In terms of the proposed Barwon-Darling Water Share Plans, we requested a meeting between the Barwon-Darling SAP representatives and the Murray Lower Darling SAP representatives. This has not yet happened.
24. We have major concerns around the need for the first flows after a dry spell to be protected and that there should be a minimum flow past Wilcannia before extraction of low flows is permitted.
25. Water Resource Plans have to be out by early next year, but we're still waiting on so much information to determine the impact on our water supply.
26. We have not been provided with the draft Barwon Darling Water Resource Plan and had not been provided with the Menindee Lakes Savings Project business case until recently. The Menindee Lakes project business case has since been made public.
27. We have been given access to some notes regarding the draft plans, but they are all different, and you are constantly reading between the lines to try and interpret how they will fit into the plan. In other cases we will read sections that say "this clause is contingent on the Menindee Lakes project, to be dealt with when we do the plans for the Menindee Lakes project." This was problematic because we haven't had detailed information about the project until recently.
28. I think the Northern Basin water resource plans all need to take into account the needs of the river and water users downstream, and that the Barwon Darling is the sole supplier of water in the Darling River to Wentworth. There needs to be recognition that there must be some base flows for the health of the river before extraction can occur.
29. My impression is that some people view the Darling River as a gutter, because of its visual appearance and the fact that up stream of Menindee it has always been an intermittent flowing river – with extreme flood and low flow events. It appears that those people take the view that the Lower Darling River mostly flows only a little, so it won't matter if it ceases to flow.

Increased releases from Menindee Lakes to provide environmental outcomes downstream of Darling River (p9, submission)

30. I have referred in the submission to releases from Menindee Lakes to provide environmental outcomes reducing water availability for the Lower Darling, and thereby being contrary to the objectives of the Basin Plan.
31. The release of large volumes of environmental water in 2013-14 from the lakes resulted in us having a dry river bed for eight months in 2015-16. That's the worst

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it's ever been, with previous cease to flows (since European settlement) never exceeding 3 months. We thought we would never see a dry river like that again, and that it was an anomaly in our lifetime. Instead, we are about to see another cease to flow event this year.

32. In fact, under the Basin Plan, in my view, we actually seem to have gotten worse, not only because we've got less coming in due to pumping up north during low flows, but the lakes are getting drawn down as soon as there's water in them and then we're left with a limited resource.
33. In 2016/2017 we had in-flows into the lakes. That put Menindee at 80% capacity. It was really unusual to have a flood event occur in winter in Menindee.
34. As soon as the in-flows occurred, the Commonwealth Environmental Water Holder put a call on that water and said they want to do a delivery to top up the flood in the Murray. That's less than two years ago and now we are about to face another cease to flow event.
35. My concern is that they're not leaving anything long-term for the local environment, in Menindee or the Lower Darling, or water users on the Lower Darling. We need to keep a drought reserve in Menindee Lakes for the fish and the native species and those residing on the river. You can't just pull the water levels down in the lakes that quickly, because the water is not coming in to replace it. The balancing act is not there.
36. Instead, at every opportunity they're trying to get outcomes for the environment down in South Australia, or whatever seems to be on their agenda to water at the time.

Menindee Lakes water savings project (p11, submission)

37. I have always called the Menindee the womb of the Basin and I can't understand how it hasn't taken more precedence in the Basin Plan.
38. When Broken Hill was provided water from Menindee Lakes, policy makers always expected, like Lower Darling high-security irrigators, that high security irrigation could ride on the coat-tails of Broken Hill needing water because there had to be a certain amount of water reserved in the Menindee Lakes for town water supply.
39. We're now in the situation where Broken Hill is going to have another water source, and Tandou's needs have been met (which I consider to be opportunistic irrigation on a general security licence), but we are told we no longer have a secure supply of water for us to attend to our permanent plantings.

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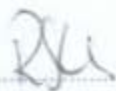


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40. This has left all the family farms along the Lower Darling, and the environment, high and dry. A significant feature of this has been the northern irrigators lobbying and saying "we shouldn't store water in Menindee because it only evaporates."
41. From our perspective, the Basin Plan and SDL adjustments will end our industry and family businesses.
42. Specifically in relation to the Menindee Lakes SDL project, there has been a lack of consultation with irrigators on the Lower Darling. Meanwhile, those irrigators are having their businesses paralysed by the government's indecision, and failure to come and consult. NSW has only begun consultation with us on the Menindee Lakes project since June this year.
43. There is limited detail in the SDL project for Menindee. We haven't been able to get a hold of any operational rules or other details. Our futures really hinge on how it will operate and the will of the operators at the time of how much they're willing to conserve or what they consider the drought reserve to be. Having now seen the Menindee Lakes Water Savings Project document, it is clear that we do not have a future irrigating permanent plantings.
44. That project incorporates a proposal to change the trigger in the Murray-Darling Basin Agreement for control of the lakes to revert to NSW from 480 GL to 80 GL. This is a problem. A report released in May, prepared by a NSW Parliamentary Inquiry "Augmentation of Water Supply for Rural and Regional NSW", in fact recommends the trigger be increased to 800GL to protect the Lakes and water security. The LDHG considers that we need a minimum of 450GL to be retained in the top two lakes for us to have a secure supply of water. Both targets seem highly unlikely because three states and the Commonwealth would have to change the Murray-Darling Basin Agreement. We feel ignored because they are now proposing to reduce that trigger down to 80GL, on the assumption that we won't be there, but there has been no agreement to compensate us.
45. There's also a constraints proposal that involves putting an artificial barrier in the Darling Anabranch below Menindee that would allow a change from the river running at 9,000ML/day to 14,000ML/day. This would pull the level of the Lakes down even more quickly.
46. It appears that they are building plans around all these proposals, based on the assumption that this project is going ahead. In that sense it's like they're putting the cart way before the horse, and they haven't actually dealt with the impacts of the project, except Broken Hill and Tandou. We really don't want to stop growing horticulture and viticulture in the Lower Darling, this would reduce our incomes substantially and it would send us broke.

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47. I'm aware that the business case for the Menindee Lakes project proposes a recovery of 106GL as a result of that project. I don't know how they came up with that number. Based on a recovery at that level, they're going to completely decimate horticulture and viticulture in this valley.
48. We put into our submission to the water augmentation inquiry that another way they could increase their SDLs at the lakes would be to actually surcharge Menindee by another metre. Instead of having such a big shallow pan of a lake, you could have a deeper lake that they could use for far more productively. This would assist with evaporative losses. I don't think they've looked at it. The capacity of Menindee got reduced years ago because of natural erosion issues. Lake Victoria also had erosion issues and this was addressed by local Aboriginal people. They did a lot of foreshore work and created employment. I think it's very viable that you could do that at Menindee too.
49. In my view, the governments are not seeing the full potential of what they could be doing at the lakes other than to just use the water to meet a commitment to the Basin Plan. They should be consulting with someone who has a good understanding of the area and it would assist local people at Sunset Strip and in the Menindee Township.

Structural adjustment package for Lower Darling irrigators

50. I referred in the submission to the LDHG working with the NSW Government to develop a structural adjustment package for Lower Darling irrigators.
51. Our family property sustained one family up until the early 90s, and then both sons wanted to come home on the farm. So we expanded the citrus, the wine grapes and there's still about another 200 to 300 acres that we would have continued to expand horticulture on. Our 10 year business plans were that we would build it up so that we could actually support more than just three families on the farm, so that our children could also become part of the mix. That was our generation's succession plan. However, this plan has got to change because the reliability of water supply is not there to provide for it.
52. We have been told by New South Wales and the Commonwealth (MDBA) that given the way they want to operate Menindee Lakes in the future, permanent horticulture and viticulture plantings are not viable on the Lower Darling.
53. We have been in discussions for over 3 years regarding the structural adjustment package. The Commonwealth came to us in June 2017 and said they wanted to address our proposal and that we would have financial negotiations in July 2017. Those discussions then stalled following the Four Corners program, as they said they wanted more information from New South Wales including "what are you going to do with stock and domestic, with general security licence holders in the

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valley and how are you going to provide basic landholder rights in the context of the Menindee Lakes projects?". They said they would get back to us in December 2017, but then they still needed more information from NSW.

54. We're trying to get New South Wales to appreciate the impacts that they're causing us, but it feels like we've been put in the too hard basket. We get a lot of sympathy when people understand our circumstances, but there's still no action on the ground.
55. My understanding is that the Commonwealth received the information from the NSW government at the end of the April this year, but they wanted to delay the discussions until after the disallowance motion on 8 May. There's been no action at all since and it has completely paralysed our farming operations and planning. My children hate water politics with a passion because it takes their mother away. We're used to just being farmers that farm our ground and look after the local community. We're all volunteers, I'm a volunteer ambulance officer, and we're all an active part of our community. But this issue has consumed our lives, leaving little time for community participation.
56. We can't see a viable future for us, as it is not tenable to be having a cease-to-flow every two years.
57. The only solutions we have are temporary ones. At the moment the government is spending hundreds of thousands of dollars to build a block bank, but they won't keep doing that every two years. It's also untenable to have long term bores, even for stock and domestic use. The aquifers that we get water out of for our stock and domestic use are only 30m deep and are recharged by the river. If we don't have a flood event, those aquifers are not re-charging.
58. Photos of the water quality at our place at the moment show the flows are about 40ML past our place. That is not enough for the river to flush itself and keep itself clean. It's just like a cesspool. I have attached photographs taken recently of the state of the river near our property.
59. Up until recently we have been a very sustainable farm and dependant on citrus and viticulture. We also have some dry land cropping and sheep. However, without permanent plantings, we will no longer be able to support three families if we cannot farm as we as we currently do. Instead, one of those families will more than likely have to move to another area.
60. In my view, we are facing a perfect example of where the triple bottom line of the Basin Plan has been a failure environmentally, economically and for the community in our area.
61. I'm passionate about the Darling and I still really want the Basin Plan to actually protect the environment. We're not prepared to give up on the Lower Darling, but

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also we are not prepared to sacrifice our family farm for the greater benefit of other areas of the Basin.

62. The MDBA say that under the Basin Plan, there is 190GL in additional flows to be realised that will pass into the Menindee Lakes.
63. That additional water is not set aside for the Lower Darling environment and is notionally available for use. However, Government is wanting to put constraints into the Lower Darling where they block off the natural Darling Anabranch Offtake, to enable them to draw water at greater volumes and faster rates out of the Menindee Lakes. The purpose of that is to keep using the Lower Darling as a delivery channel, rather than a natural river'.
64. That additional flow is unlikely to assist irrigators of permanent plantings on the Lower Darling, because if you're going to pull it out fast, there's still no water available in dry periods. Our citrus crops need water 12 months a year, every year, and can't be sustained by water that is available for six months, and then not available for six months.
65. Further, the 190GL is only going to eventuate in wet high flow years, not in dry years like now
66. Currently government can run maximum flows in the Lower Darling at 9,000ML a day within the main channel. They are now proposing to increase this to 14,000ML per day to top up events in the Murray. I think this approach will just pull down our lakes that much quicker.

Recommendations to Royal Commission (p12, submission)

67. I always thought the Basin Plan was about river health, connectivity and all the wonderful glossy things that were advertised to the community about why they're spending tax payer dollars; we were going to restore river health and then provide water to icon sites. There would be a few impacts but social and economic issues would be addressed strategically so as to minimise the impacts.
68. Instead, I don't think the Basin Plan actually has river outcomes within it. It has certain outcomes for some of the icon sites and some of the billabongs, but it doesn't have any whole of river outcomes. They've got targets for the bigger lakes in South Australia, but there's nothing for the Lower Darling environment or its water users. I think that's one of the really big flaws with the Basin Plan. When things get tight, water is supposed to be provided for priority uses but currently does not provide for basic landholder rights. If you cover basic landholder rights with a base level of flow, then you've also got water in the river for fish, the environment and everything else.

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69. In my view there has to be a lot more equality in the whole system, rather than just providing for certain sections of the river and certain industries.

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