Murray Irrigation

Review of the Water for the Environment Special Account (WESA)

August 2025

www.murrayirrigation.com.au

PO BOX 528 DENILIQUIN NSW 2710 | 1300 138 265

Introduction & Background

Thank you for the opportunity to provide a submission to this review.

At the outset, it is important to emphasise how vital water is for the long-term sustainability of our footprint. Murray Irrigation is Australia's largest private irrigation company. We deliver water to more than 1,300 family farm businesses. Family farms remain at the core of our business model, and irrigated agriculture continues to be one of the key economic drivers (and sources of employment) for all communities and towns where we operate.

Our footprint has been exposed to repeated state and federal water reform since Murray Irrigation's establishment in 1995. A key aspect of this reform has been large-scale environmental water recovery. As a result, average water delivery to our customers has halved – from 1,200 GL in 1995 to around 600 GL today.

Murray Irrigation and our shareholders do not support, and will not assist with, water purchase programs in our footprint. In our experience, valuable environmental outcomes are better achieved through innovative and efficient delivery arrangements. These arrangements will not strip additional water from productive use.

A key example is our *Restoring Murray Waterways* project (RMW)[1][2]. RMW uses our extensive infrastructure experience to deliver targeted volumes of water in the landscape, as identified by the relevant environmental water manager. In dry years, we can efficiently deliver drought refuge water, preventing mass fish deaths, and maintaining high-priority wetlands. RMW also connects ephemeral creek and river systems back to the Murray, offering downstream environmental benefits without the need for high in-stream flows.

Murray Irrigation was recently invited to give evidence to a NSW Parliamentary inquiry into the regional impacts of Commonwealth water purchase[3]. We prepared a comprehensive submission to accompany our testimony. We encourage the Panel to review this submission, as it covers topics that closely overlap with the Terms of Reference for the WESA review. You can access Murray Irrigation's submission here.

[1] A detailed overview of this Pilot Project is provided at Schedule One to this submission.

[2] See www.mdba.gov.au/news-and-events/newsroom/basin-officials-committee-extraordinary-2025-4-communique for the SDLAM notification

[3] Impacts of the Water Amendment (Restoring Our Rivers) Act 2023 on NSW regional communities

Murray Irrigation's Responses to Review Terms of Reference

Is there enough time and funding to deliver the 450 GL?

As noted in the introduction to this submission, Murray Irrigation and our shareholders do not support, and will not assist with, water purchase programs – for the environment – in our footprint. Where funding and time is available to achieve environmental outcomes, this should be directed towards more innovative and efficient approaches – such as our RMW project.

Murray Irrigation does not support any more time or money being directed towards the 450 GL.

More broadly, we note that public information to answer this question is difficult to access, especially in relation to buy-backs. By way of example, the current Federal Government will not disclose the details of funding it has allocated to buy-backs for commercial reasons[4]. Furthermore, public accounts related to the volume of water recovery towards the 450 GL are infrequently updated. Current public accounts are only valid to 31 March 2025[5].

Is there enough time and funding to address constraints to environmental water delivery?

The answer since the first WESA review has been a consistent 'no'. The MDBA confirmed this as recently as December 2024[6]. According to the MDBA, another 10 years is needed to deliver the constraints program first envisaged in 2012 – which means its completion would align with the anticipated 2036 Basin Plan review.

The MDBA has also advised the funding needed to address the 2012 program of constraints is 'uncertain'.

The MDBA's advice raises a number of issues for Murray Irrigation, as well as stakeholders in our footprint. The ecological effectiveness of the 450 GL has always been tied to the 2012 program of constraints. If the constraints aren't lifted, the 450 GL cannot deliver its intended environmental outcomes. The only way those outcomes can be achieved is through further investment in targeted delivery arrangements, like the ones taking place under our RMW project. This further validates Murray Irrigation's position that additional environmental water recovery is not in the best interests of either communities or ecological systems.

Critically, much of the 2012 program of constraints is also very closely connected with the 605 GL of water recovery off-sets available under the SDLAM[7]. A large shortfall in the 605 GL is currently expected because some constraints won't be delivered by 31 December 2026. Murray Irrigation and the communities we support did not cause this issue. We should not be exposed to additional environmental water recovery, on top of the 450 GL, because Basin Governments have failed to deliver.

[4] Portfolio Budget Statements 2025-26
[5] Surface-water-recovery-including-the-SDLAM
[6] Constraints Relaxation Implementation Roadmap
[7] Sustainable Diversion Limit Adjustment Mechanism

Are payments to address the wellbeing of impacted communities 'effective'?[8]

Large-scale environmental water recovery is bad for farming businesses and the communities that depend on them. As Murray Irrigation's average customer delivery has halved (from 1,200 GL in 1995 to around 600 GL today), there has been an associated and concerning trend of decline in our communities. As average customer delivery has halved, local irrigation-dependent industries such as dairy and rice have also declined.

For example, between 2001 and 2016, the population of the Wakool region in the western part of our footprint declined by 45.6%. Alongside this, total farm employment in this region fell by around 72%. These types of trends significantly reduce the adaptive capacity of individuals and businesses, especially in the face of continued environmental water buy-backs. As a principle, relying solely on 'payments' to counteract this impact will never be viewed as suitable, appropriate, or effective.

Farmers stay in Murray Irrigation's footprint because they want to farm. Families stay in the footprint because it is where they want to live. A sustainable footprint fundamentally requires long-term water access.

The best way to address community wellbeing across Murray Irrigation's footprint is for governments to focus on alternatives to buybacks. It is through smart, innovative projects, which efficiently deliver targeted outcomes, that we ensure the long-term wellbeing of regional communities. Murray Irrigation is already successfully adopting this approach in our footprint.

[8] Murray Irrigation is aware this question is posed primarily in relation to the Commonwealth's $300 million *Sustainable Communities Program.*

Schedule One: Collaborative Water-Use For Environmental Outcomes - *Restoring Murray Waterways* (RMW).

Murray Irrigation is undertaking one of Australia's largest targeted and collaborative environmental watering initiatives using our water supply network (Figure 1). Funding was provided by the Commonwealth to implement the Pilot Project. On-ground works under RMW include:

1. **Connecting around 300 km of Ephemeral Creeks:** We have upgraded landholder crossings, to allow fish passage and the delivery of environmental water. We have also upgraded fence creek crossings, so they can withstand environmental watering. Alongside this, we have installed delivery outlets so environmental water holders have more flexibility to deliver targeted volumes.

2. **Rehabilitating around 2,200 ha of On-Farm Wetlands:** Works have been installed on private farms to deliver water to on-farm wetlands, improving habitat for flora and fauna, and maximising the chance of threatened species recovery.

3. **Broader Environmental and Community Benefits:** The water recovery off-sets achieved by RMW have been formally recognised by all Basin Governments under the SDLAM program[9]. The Project can achieve important environmental outcomes using much less water than would otherwise be required.

4. **Next Steps:** Targeting upgrades of a further 300 km of creeks and 10,000 ha of on-farm wetlands in our footprint. The Basin Officials Committee (BOC) has agreed to notify the project as a new supply measure in accordance with s7.12 of the Basin Plan 2012.

Through highly efficient use of environmental water, Murray Irrigation's RMW project delivers the following (Figure 2):

- Connection of ephemeral creek and river systems back to the Murray River.
- Rehabilitation of on-farm wetlands.
- Delivery of oxygen-rich water to floodplains, to prevent mass native fish deaths.
- Redistribution of native fish back into key habitat sites.
- Long-term protection and enhancement of threatened species habitat.
- Delivery of drought refuge water, preventing mass fish deaths, and maintaining high priority wetlands.

[9] Sustainable Diversion Limits - DCCEEW

Schedule One: Collaborative Water-Use For Environmental Outcomes - ***Restoring Murray Waterways*** **(RMW).**

Figure One – Location of the RMW Project, Within Murray Irrigation's Footprint.

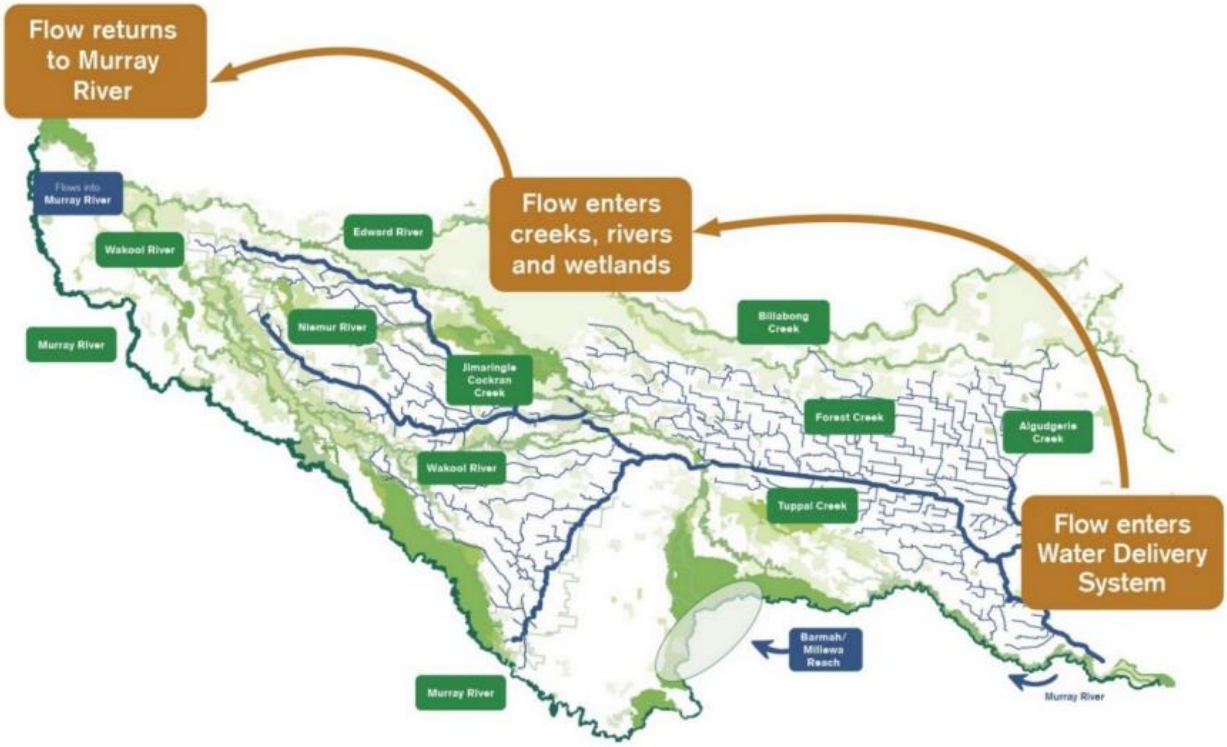

Figure Two – Efficient Water Delivery for Environmental Outcomes.