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Monday, 13 November 2006

No. 23

## **OILSEEDS NEWS**

### **IMMEDIATE CUTS IN ALLOCATION TO MURRUMBIDGEE AND MURRAY IRRIGATORS**

The NSW Government is taking immediate action to secure water for communities in the Murray and Murrumbidgee Valleys, Minister for Natural Resources, Ian Macdonald announced today.

Minister Macdonald said the worst drought in more than 100 years, with record low inflows in each month from June to October, increased transmission losses due to the low levels of water in the system and the reduction in water diversions from the Snowy Mountains Scheme had forced the Government to take strong action to protect town water supplies in the bush.

Minister Macdonald said the phases of the plan include:

- Immediate suspension of the Murrumbidgee, Murray and Lower Darling Water Sharing Plans and a reduction in water allocations.
- Action is being taken to increase end of system flows in the Murrumbidgee River and shore up the ability to meet town water supply in the Murray Valley.

- The introduction of ‘water order debiting’ for water that cannot be re-regulated in both valleys for this water year.
- Allowing the carry-over of unused high security allocations from 06/07 for use in 07/08 consistent with the plan rules.
- An emergency deployment of agronomists and primary industry specialists to assist farmers with critical business decisions in light of the new cutbacks.

“As the drought continues our priority must be town water supplies, it’s as simple as that,” he said.

“That is why we have come up with a five-point plan to secure supply. It will remain in force and be reassessed as water becomes available.”

Minister Macdonald said there would be an immediate cut in water availability for water users in the Murrumbidgee and NSW Murray valleys.

“To ensure water demand does not outstrip supply, high security irrigation accounts in the Murrumbidgee will be reduced by 10% of entitlement, from the 95% previously announced.

“There will also be a reduction in general security accounts equalling 5% of entitlement to 10%, down from the 15% previously announced.

“It is important to note town water supply and basic landholder rights will not be reduced but cannot be traded.”

Minister Macdonald said in the NSW Murray Valley new measures were also being put in place as part of the Government’s Five-Point Plan.

“The Government has no choice other than to reduce both high security and carry over accounts by another 32%, leaving only 68% of the remaining account water for extraction” he said.

Minister Macdonald said the Government would also save about 16,000 megalitres by stopping releases to Forrest Creek on the Murrumbidgee.

“Almost 90% of water released for stock and domestic purposes to Forrest Creek is lost along the way. Landowners will now have to consider moving their stock, so that these water needs may be drawn from Billabong Creek”, Minister Macdonald said.

“These moves help reduce demand and encourage conservation of water,” Mr Macdonald said.

“Inflows into the respective valleys will be reallocated to the environmental accounts as soon as conditions improve during the coming months and water may then be diverted into high priority areas where the wetlands, red gums and other floodplain environments are severely stressed or dying from lack of water.

“The loaned environmental water from the Murrumbidgee Environmental Water Account will be the first to be re-credited from inflows into the Murrumbidgee after March for potential use for environmental purposes in autumn after meeting town water supply.

“It is also important to note the high security users will not be able to use or trade more than 100% of their entitlement in 2007/08 and that none of the provisions apply to town or basic landholder rights.

“These are difficult decisions, there’s no doubt about that, but they are necessary. The consequences of not acting swiftly are far more serious if farmers continue to sink money into crops that can not be sustained,” Minister Macdonald said.

The Minister said the temporary suspension of trade irrigation entitlements introduced last week had also been lifted today.

“This applies to interstate, inter-valley and within valley water trade. However, the restrictions on the trade from the Murrumbidgee to the Murray upstream of the junction remain,” he said.

“I know that all farmers are suffering terribly at the moment and we will be doing our all to provide them with the utmost support to make the right business decisions.

Minister Macdonald said that an increased level of compliance action would be undertaken immediately to respond to industry calls to ensure new allocation levels are complied with.

“I expect the vast majority of irrigators will understand our action and act responsibly,” he said.

“But measures are necessary and will have to be enforced by the Government. We do not want honest businesses penalised for doing the right thing.”

All measures will come into effect at 5pm today.

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