

# WARREN SHIRE COUNCIL

A.B.N. 87 198 932 652

Our Ref: C12-3.4  
Contact: NRF (Rex) Wilson  
NRFW:JAB 1017



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## Office of the Mayor

Productivity Commission  
GPO Box 1428  
CANBERRA ACT 2601

21st March 2018

Dear Sir/Madam,

Please find attached a copy of a letter submitted to various Ministers in relation to the Northern Basin Review.

Should you have any questions, please don't hesitate to contact Council.

Yours faithfully,

NRF (Rex) Wilson  
**Mayor**

Enc.

AUSTRALIA'S  
WOOL &  
COTTON CAPITAL



*Bounding Ahead*

# WARREN SHIRE COUNCIL

A.B.N. 87 198 932 652

Our Ref: C12-3.4  
Contact: NRF (Rex) Wilson  
NRFW:JAB 1002

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## Office of the Mayor

8th February 2018

Dear «Sal»,

**Re: Murray Darling Basin Authority – Northern Basin Review**

Council recently considered the report and the return of water to the Murray Darling Basin - Northern Review Plan and determined its support to the increased allocations for agricultural and social use whilst protecting the environmental flows.

Council is seeking your support to ensure that positive changes to the basin plan are undertaken that allow the protection of the environment but also the development of long term agricultural outcomes for regional communities.

Warren Shire is located on the Macquarie River and within this Shire area, is contained most of the Macquarie Marshes and many other wet land and important aquatic ecosystem areas. Council is a supporter of the retention of viable ecosystems and works very closely with our community to promote, develop and provide education on the significance of the Macquarie Marshes area and has established an educational centre at Warren for this purpose with the RiverSmart Committee.

In the Independent assessment of the return of water to the Macquarie system and the Northern Basin water ways, Council could see that a return of water will also provide economic benefit to our agricultural producers right across the riverine system. Warren has supported the return of water for environmental flows, but this has come at a cost to the Warren region in an estimated decline of over 11% to the local economy. This decline in agricultural production is very evident in the closure of shops, loss of employment and reduced local expenditure. The Council also recognises that the return of water was not the only factor that caused economic changes and cost-efficient practices in agriculture, genetically modified cotton and a reduce need for employees has also made an impact on our local economic circumstances.



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8th February 2018

Council in reviewing the Independent Scientific report into the Northern Basin looked at the results pragmatically and in its consideration, could see that an increase of water availability would result in a general improvement to the local economy and the longer-term viability of employment, tourism and agricultural production.

This was supported by the MDBA reports that suggest that an increase in water availability for agriculture could create 25 jobs in Warren because of releasing the 390GL identified in the northern basin target. Alternatively, it would result in less than 25 jobs being created if the current target is maintained. Included below is a table for lost employment to the Northern Basin Area taken from the MDBA reports.

#### Employment Impacts on Communities

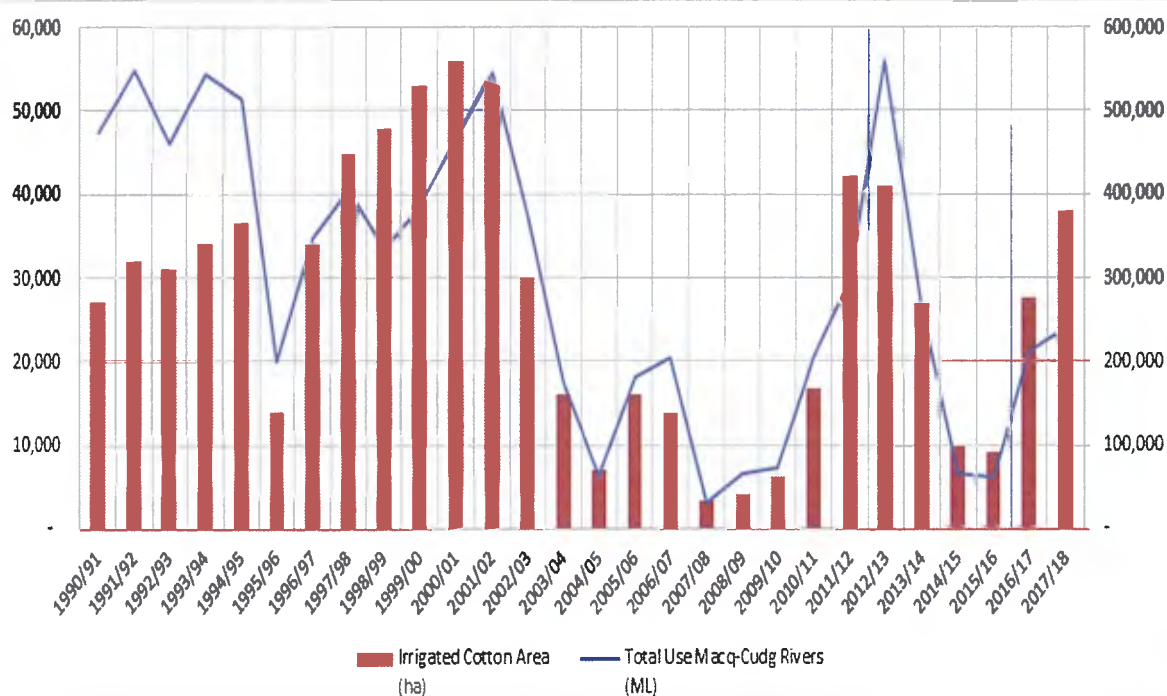
Town	390 GL employment effects	320 GL employment effects
Boggabri	<5	<5
Bourke	25	28
Collarenebri	54	54
Dirranbandi	64	49
Goondiwindi	17	24
Gunnedah	18	12
Moree	152	96
Mungindi	<10	<10
Narrabri	17	<10
Narromine	55	41
St George	137	83
Trangie	17	13
Walgett	<5	<5
Warren	114	89
Wee Waa	32	23
<b>Total</b>	<b>Approx. 710</b>	<b>Approx. 530</b>
<b>Source: MDBA</b>		

Council reviewed production of cotton since 1990 versus the amount of water used by irrigators. The chart is in megalitres as it captures the changes stemming from the Basin Plan (i.e. 100% allocation in 2005 represents a lot more than 100% allocation in 2017 due to buybacks). Note left hand axis is hectares and right hand is megalitres used. This clearly demonstrates the impact of water availability on local production. Please note this only reflects production/water from the surface water extractions and not those related to Lower Macquarie Groundwater resource.

Council has been advised that the forecast for the 2017/18-year cotton crop is estimated to be worth \$200 million. If you adjust these numbers to include the flow on benefits to local communities (1.5 is a conservative number), 2017/18 cotton crop is worth \$300 million to the community.

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Council's advice is that, as a rough number, the data suggests you need up to 10ML / ha for a cotton crop. With the current environmental water holdings (160GL EWA + 120GL CEWH + 50NSW) of approximately 320GL, the community is already missing out on approximately \$160 million of economic value. The additional allocations being proposed by the Northern Review supports the community as a benefit is created by each additional megalitre.



As indicated above, Council is aware that the additional supply of water to the Macquarie Marsh area also has a positive effect to the graziers in the Marsh area and a tourism benefit is created for bird watchers and others by having a viable riverine system.

As part of Council's assessment of water allocation, Council would like the agencies to consider the retention of flood water in Burrendong Dam in periods of high inflows. Council has received advice that the Dam can hold up to 140% capacity and this is released as needed to regulate the storage. Council would like consideration that 50% of the stored water above the 100% level be used for environmental flows, whilst the other 50% be used and retained where considered safe for future agricultural release; e.g. if water level is 10% above the 100% capacity then 50% of the 10% be used for the environment and the remaining 50% of the 10% be used for future agricultural production.

Council raises this as the Macquarie River feeds into the Macquarie Marshes and the marsh area absorbs the water with very little water leaving the marshes to drain further towards the Barwon River system except in high flood events.

Council understands that this request must be assessed against the flood management process as well as a community safety consideration, however if the advice provided is correct as to over storage capacity then it will provide benefit to the river system, the environment and to agriculture equally.

«Name»  
«Minister»  
«Address\_Line\_1»  
«Address\_Line\_2»  
«Address\_3»  
«Address\_4»

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Council would like to seek your support to provide for a return of water back to the Northern Basin system and to support the communities such as Warren that have been supportive of the environmental flows, the return of water and the hardships that resulted through economic down turn. The return of water will over time assist our community and provide an economic boost to the local, State and National economy.

If you require any further information in relation to this letter, please contact myself or Council's General Manager, Mr Glenn Wilcox.

Yours faithfully,

NRF (Rex) Wilson  
**Mayor**