

IRRIGATORS WELCOME TANDOU WATER BUYBACK

(23 June 2017)

NSW Irrigators Council (NSWIC) has welcomed the sale to the Commonwealth of almost 20,000 megalitres of water entitlements from the Lake Tandou cotton operation on the Lower Darling, by its parent company Webster Ltd.

NSWIC CEO, Mark McKenzie, said the Council supported the buyback of this large parcel of water because it was a strategic purchase under the Murray Darling Basin Plan and will mean that it becomes even less likely that the Federal Government would need to re-enter the water market to purchase water elsewhere in the Southern Basin if there is a shortfall.

“We support strategic sale of water to the Government by willing sellers if there are no 3rd party impacts. Webster is to be congratulated – it is no small thing to negotiate the sale of such a large parcel of water and retire a major irrigation operation. This purchase is very important because it means that a large volume of water does not now need to be held in the lower Menindee Lakes to supply water to Tandou. Instead it can be held in the upper Lakes where it can be better used to supply downstream commitments to South Australia under the Basin Plan; avoiding high evaporation losses. It also adds to the water recovery total for the environment and avoids the need for the Government to look elsewhere to recover any volume gap, such as in the Murray which is already significantly impacted by large volume buybacks.”

Mr McKenzie said NSWIC was encouraging the Federal Government to maximise water saving management options at Menindee by completing its parallel negotiations to purchase water licences being offered for sale by six horticultural producers on the Lower Darling.

“This would provide the last jigsaw piece in the Menindee Water Savings Project by allowing the greatest degree of flexibility in how water is managed in the Lakes and in the Lower Darling, because there would not need to be high security water allocated for permanent plantings along the Lower Darling above the Murray weirpool.”

Mr McKenzie said that while the Lower Darling horticulture water licences are a smaller parcel of high security water, the potential to wrap up the purchase of these Lower Darling licences had much broader benefits in supercharging water savings at Menindee and providing water for South Australia out of the Menindee Lakes rather than drawing it from the Hume Dam in the upper reaches of the Murray.

ENDS

Approved: RS / CA

For Further Information

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