

Submission in response to

ACCC inquiry into water
markets in the
Murray-Darling Basin

Issues Paper - 17 October 2019

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Background

Marion Peters

I, Marion Peters, was born in Mildura and raised on my parents irrigated horticultural properties in the Sunraysia region. I learnt all aspects of the industry working for my parents on their properties as I grew up from a young child in the 1960's through to the 1990's when I purchased my own land with my husband Geoff in Colignan and started developing our own farming business, GMP Farms.

I also gained significant work experience in the catering industry in Melbourne as a youth in the 80's and after returning to the family farm put my love of cooking with avocados into practice during six years as president of the Sunraysia Avocado Growers Association and its promotions subcommittee. Introducing people to avocados, creating avocado recipes, and promoting avocados at the Mildura and Royal Melbourne Shows were my favourite activities during this time and I fondly became known by locals as The Avocado Lady. The culmination to this point of my career was receiving the Channel Ten, 1990 Young Achiever Award for Rural Development sponsored by the Australian Wheat Board, under my maiden name, Marion Matthews.

Since developing GMP Farms with my husband and raising our family, my community work changed from grower organisation oriented to following the needs of the children through involvement in school and community groups and more recently, I became a volunteer with the Australian Wildlife Conservancy.

Location

Our farm is located in the Northern Mallee region in far North West Victoria, in the irrigation district of Colignan. It is a short distance from the Murray River, a short walk to the northernmost gate of the Hattah Kulkyne National Park and just under an hours' drive to the inland rural city of Mildura

Production

Our farm comprises 38.44 hectares of land with approximately 14 hectares producing sustainable quantities of certified organic apples, avocados, lemons, quince, and some new plantings of pomegranates and grapefruit. The remaining land is undeveloped and mostly with native vegetation. All produce is packed on farm and distributed through Australian wholesale fruit and vegetable markets where it is sold by reputable certified organic wholesalers for fresh fruit consumption.

Micro Climate Management with Water

Specific micro climates are managed to cater for the needs of the range of varieties we grow. A blend of grass varieties is grown across the whole of our orchard floor. This ground cover is the most fundamental part of our soil management program bringing a myriad of benefits to the farm environment. Native earthworms had a strong presence on our land at the commencement of developing our farm. Today, two decades later, the population of earthworms in our soil is astronomical. This earthworm activity together with the permanent ground cover have contributed to the height of our soil rising several centimeters over the years we have managed our farm's delicate ecosystem. This healthy farm soil together with monitored inputs and water management has provided optimal conditions for the soil food web to function at peak capacity in our orchards. Over head irrigation is combined with under tree drip irrigation; neither system will suffice on its own to successfully manage the moisture requirements of our farm.

Water Dependency

We hold 52 ML of High Reliability water in Trading Zone 7 Vic Murray, in Salinity Low Impact Zone 4 (LI7). Our land holding has an Annual use limit (AUL) of 204 ML which can be increased to 264 ML. The AUL allows us to trade in temporary water up to that volume each year for our irrigation needs. The percentage of our water holding that we are allowed to use each year varies depending on the announcements made by the Lower Murray Water authority. Regardless of the percentage we are permitted to use of our 52ML each year, we need to buy additional water from the Temporary water market to supplement our water needs, which usually goes close to our AUL.

Issues Commented

Ideally I needed to put more time into commenting on the five Issues raised in the ACCC inquiry into water markets. Finding the time out of the daily routine to make comments on the issues raised has been difficult however, I believe I need to express my most important concerns and suggestions to this inquiry, regardless how brief, which I have listed below. Some of my comments may fit into the five issues raised or they may sit outside these issues.

Beliefs

Water is the essence of life, it is not a precious mineral to be traded like stock market commodities or better. Water is not an ingredient we can choose to exclude from our life. It is essential for producing food for everyone.

Concerns:

- Unbundling of water from farming land has allowed investors to buy water and treat it like a commodity with the sole purpose of money earning.
- Abrupt and vast water price fluctuations occur habitually at times of water restrictions in our district.
- High water prices are not reflected in the commodity returns to farmers.
- When irrigators are forced to buy water at high prices to top up their irrigation needs they risk becoming destitute, desperate, and depressed.
- Reducing irrigation applications is detrimental to the health and productivity of the farm with flow on effects that last for twelve months or more, and can pose the risk of death to productive plantations.
- Unlike other farming inputs we can choose to go without when the times get tuff, water is a must to sustain the ability to produce food.

Suggestions:

- Attach water to land or owners of productive land.
- Cap water trading prices.
- Improve water supply by;
Federal control of water and
Increase water providing infrastructure such as;
 - Build desalination plants to feed river systems,
 - Pipeline fresh water to inland and drought prone areas of Australia including southern farming districts, from rivers in northern Australia which are habitually inundated with inflows
 - Build more catchment and holding dams,
- Develop more farming land but only after improving water supply as above.