

RGA Water Policy activity in 2019-20

Submissions

- **January 2020:** Inquiry into management of Murray–Darling Basin water resources, by the Interim Inspector General, Mick Keelty
- **December 2019:** Independent Panel Review of the Water for the Environment Special Account [account sets aside \$1.7 billion to recover another 450GL and address constraints].
- **November 2019:** The Australian Competition & Consumer Commission (ACCC) Murray-Darling Basin water markets inquiry.
- **October 2019:** The NSW Department of Industry – Water, Draft NSW Murray and Lower Darling Surface Water Sharing and Resource Plans.
- **August 2019:** Terms of Reference for the Independent Panel investigation of social and economic conditions in the Murray-Darling Basin.
- **August 2019:** The NSW Department of Industry – Water, Draft Murrumbidgee and Lower Darling Surface Water Sharing and Resource Plans.

Policy Positions settled

- **August:** RGA Water Committee Policy book finalised after extensive consultation and debate on key federal and State issues. (Summary below)

Engagement and advocacy

- **December 2019:** Intensive lobbying by phone calls and emails pressuring State Government to stop DPIE submitting water sharing/resource plans by MDBA 31 December deadline, pending further stakeholder consultation on proposed changes.
 - *Success* – deadline extended to June 2020.
- Engagement and support for Murray Region Strategy Group, to ensure alignment in policy positions and messages for State and Federal Government where possible.
- Meetings (Canberra, Sydney, locally):
 - Federal Water Minister, David Littleproud.
 - NSW Water Minister, Melinda Pavey.
 - Federal shadow water minister, Terri Butler.
 - Federal Environment Minister, Sussan Ley (Environment Minister)
 - Senator Perin Davey (National Party)
 - Senator Malcolm Roberts (One Nation)
- Fortnightly catch ups with SunRice Head of Corporate Affairs regarding general collaboration and water advocacy – ongoing.
- NFF Water Committee meetings, including 13 December meeting to assist with and finalise a letter to MINCO outlining concerns over water resources plans and other issues. Engaged with the federal Water Minister’s Water advisor and Chief of Staff at this meeting.
- NSWIC General Meetings and executive officer meetings, including input into NSWIC’s Water Sharing/Resources Plans submission.
- Active RGA contribution to development of NFF, NSWIC and NIC Basin water policy positions and messages, to ensure alignment with RGA water policy positions.

- RGA representatives attended and spoke at the following:
 - **January-February:** Town Hall meetings as part of Inquiry into management of Murray–Darling Basin water resources, by Interim Inspector General, Mick Keelty.
 - **January:** NSWIC teleconference with MDBA re study into declining delivery capacity through the Choke and options before Basin Ministerial Council.
 - **December:** Select Committee on the Multi-Jurisdictional Management and Execution of the Murray-Darling Basin Plan, hearing in Griffith.
 - **November:** Independent Panel on Social and Economic Conditions in the Murray-Darling Basin, youth roundtable arranged by RGA.
 - **November:** Inquiry into the Water for the Environment Special Account – workshop in Canberra.
 - **November:** ACCC public forums in Deni and Griffith re inquiry into water market and trading rules.
 - **October-November:** Regional roundtables for community feedback to Independent Panel investigating social and economic conditions in the Basin.
 - **September:** DPIE regional information sessions on draft NSW Murray water sharing/resources plans.

Summary of RGA Water Policy Book

AUGUST 2019

OBJECTIVE

To maximise water availability (supply and access) for growers and to ensure water regulation does not result in perverse negative impacts for growers, their communities and the whole rice industry.

RGA WATER POLICY POSITIONS – FEDERAL LEVEL

1. Water recovery for the environment and the Murray Darling Basin Plan

The RGA'S Policy Positions:

- No compulsory acquisition of water. Water recovery must be appropriately compensated.
- The characteristics of entitlements purchased for the environment should not change.
- Third-party impacts must be avoided, including to entitlement accessibility and reliability.
- Basin Governments should address non-flow issues contributing to poor river health.

2. The Baseline Diversion Limit (BDL), Sustainable Diversion Limit (SDL) and Water Recovery

The RGA'S Policy Positions:

- Basin Governments should take a whole of catchment approach to improving river health, including non-flow related issues.
- The modelling and assumptions used to calculate the SDLs should be made public.
- Water recovery must be prioritised by third-party impacts, as follows:
 - The SDL Adjustment Mechanism
 - PIIOP (Private Irrigation Infrastructure Operators Program)
 - OFIEP (On-farm Irrigation Efficiency Program)
 - No further buybacks.
- The SDL implementation time frame is too short for communities to adjust.
- Water recovery reduces supply and pushes up prices, which may reduce rice planting.

3. The SDL Adjustment Mechanism:

The RGA'S Policy Positions:

- RGA supports Supply Measures (offset projects) to reduce the Sustainable Diversion Limit.
- Basin Governments should ensure the maximum offset of 650 gegalitres is achieved.
- Supply projects to be flexible to incorporate new knowledge and open to new proposals
- Projects must be subject to consultation with landholders, industries and communities.
- The 5% limit on the total SDL adjustment must be removed.
- Complementary measures should be part of the SDL offset.
- Any shortfall in the proposed 605GL of offsets will be met through alternative projects.

3.1. Efficiency Measures '450GL Up-Water'

The RGA'S Policy Positions:

- No further water recovery from the productive pool.
- Another 450GL can't be delivered without third-party flooding impacts.

3.2. Constraints Measures

The RGA'S Policy Position:

- No third-party impacts from relaxing constraints, incl. property and entitlement reliability.

3.3. Policy Pre-Requisite Measures (PPMs)

The RGA'S Policy Position:

- No third-party impacts (incl. reliability and accessibility of GS and supplementary licences).

4. Held (Licenced Entitlement) Environmental Water

The RGA'S Policy Position:

- Held Environmental Water must retain its original entitlement characteristics.

5. Managing and Monitoring Environmental Water Outcomes.

The RGA'S Policy Positions:

- No unmitigated third-party impacts from the use of Held Environmental Water.
- Environmental water trade should not affect water market access for all water users.
- Clear objectives to be agreed and communicated. Progress to be reported regularly.

6. Water Markets and Trade

The RGA'S Policy Positions:

- An open and transparent water market that minimises transaction risk and costs.
- A southern Basin trading exchange to increase transparency and reduce transaction costs.
- Regulation of water brokers to minimise risk for market.
- Instantaneous trade of water.
- Standardisation of national laws and rules for water trade.
- Inter-valley trade rules enforced.

7. Murray Darling Basin Agreement

The RGA'S Policy Position:

- The RGA seeks a review of the Murray Darling Basin Agreement.

RGA WATER POLICY POSITIONS – STATE LEVEL

8. The Allocation System

The RGA'S Policy Positions:

- The RGA seeks the following improvements to the allocation system:
 - Real-time announcements of allocations.
 - Increased use of technology to monitor inflows and determine allocations.
 - Increased transparency regarding inflows and water demands influencing the allocation system.

9. Water Sharing/Resource Plans

The RGA'S Policy Positions:

- The RGA will not support any changes that negatively impact upon water entitlements.
- The RGA supports changes that will improve the security of water entitlements.
- The RGA insists on meaningful consultation with State Government on the Water Resource Plan rules and regulations to ensure property rights are not eroded.
- The RGA seeks an extended deadline to accredit the Murray and Murrumbidgee Water Resource Plans from June 2019 to June 2020.

9.1. Carry-over

The RGA'S Policy Position:

- Carryover is supported as a “risk” management tool providing access to more water earlier in the irrigation season.

9.2. Planned (Non-Licensed rules based) Environmental Water

Planned environmental water (PEW) is required to be set aside under the Water Sharing Plans. Unlike Held Environmental Water, Planned Environmental Water is not licenced water.

The RGA'S Policy Positions:

- Increased transparency on the volume and use of planned environmental water.
- PEW use must be optimised to improve environmental outcomes, and be counted as a Supply Measure under the Basin Plan.

9.3. Inter-Valley Transfer (IVT) Accounts

The RGA'S Policy Position:

- The RGA supports the current system of Inter-valley transfer accounts.

9.4. Cultural Water

The RGA'S Policy Positions:

- The RGA recognises and supports Indigenous traditional and cultural uses of water.
- The RGA favours cultural water being managed and included via environmental water entitlements and environmental watering strategies.
- Water for any commercial use should be attained through the existing market.
- No rule changes that negatively impact upon existing entitlements.

9.5. Cap-factors, Planning Assumptions and Compliance with the Baseline/Sustainable Diversion Limit (BDL/SDL)

The RGA'S Policy Position:

- Water Resource Plan should support a level of take as close as possible to the BDL/SDL.

10. Water Operations and Charges

The RGA'S Policy Position:

- The RGA supports efficient and cost-effective water delivery – provided efficiency and/or cost reduction measures do not reduce reliability or accessibility of existing entitlements.

11. Snowy Hydro Licence

The RGA'S Policy Position:

- The current balance between the competing needs for electricity generation and irrigation water use must be maintained unless a win-win outcome can be established.

12. Land Use Planning – Irrigation Development

The RGA'S Policy Positions:

- Robust, pragmatic planning regulations to address risks of new irrigation developments.
- Conveyance losses factored into delivering water allocation downstream.
- A moratorium on any new irrigation development below the Barmah Choke.

13. Water Security Infrastructure

The RGA'S Policy Positions:

- Further exploration of infrastructure solutions to provide water and benefits to the entire Basin, including those listed in Water NSW's "20 Year Infrastructure Options Study".
- Costs vs benefits needed for any project, with a long-term view taken.
- Water Security Infrastructure Projects should be regarded as nation building with costs being shared by all, not just irrigators.