



# RESPONSE TO THE NSW WATER REFORM ACTION PLAN

## TRANSPERANCY MEASURES CONSULTATION PAPER

*April 2018*

### **1. THE RICEGROWERS' ASSOCIATION OF AUSTRALIA**

The RGA is the collective voice of Australian rice growers representing the interests of around 1200 voluntary members. The RGA's key objective is to provide members with strong and effective representation on issues affecting the viability of their businesses, communities and industry.

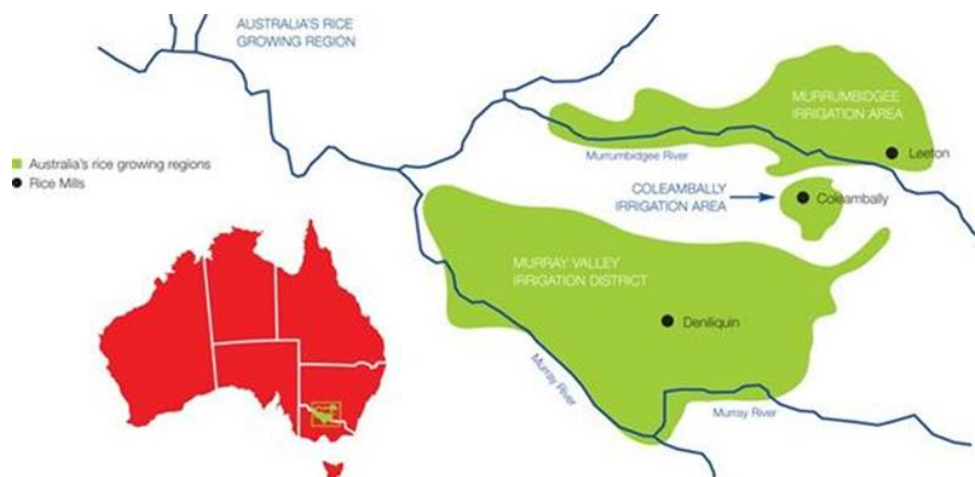
The RGA is made up of eight branches located across the Riverina rice growing regions of NSW and Victoria. Each branch annually elects representatives to form the RGA Central Executive. The Central Executive represents their respective branches in determining RGA policy and projects.

The RGA is a member of the National Farmers' Federation, National Irrigators' Council and NSW Irrigators' Council.

### **2. THE AUSTRALIAN RICE INDUSTRY**

The Australian rice industry is located predominantly within the Riverina region of NSW, with two small industries also situated in the Northern Rivers region of NSW and in Northern Queensland.

The Australian rice industry is reliant upon irrigation sourced from the Murray and Murrumbidgee valleys. Provided water is available, the Australian rice industry is considered one of the world's most successful, delivering significant yields while leading the world in water use efficiency.



The rice industry is a significant economic contributor to the Riverina region of NSW. The towns of Griffith, Leeton, Coleambally, Finley, Jerilderie, Deniliquin, Wakool and Moulamein are highly dependent on rice production for their social and economic wellbeing. Additionally, rice growers have individually invested over \$2.5 billion in land, water, plant and equipment and collectively invested around \$400 million in mill storage and infrastructure through SunRice.

While the NSW rice industry is very small by world standards, it remains a competitive supplier of premium rice products into world markets.

### 3. THE RGA'S RESPONSE

The RGA welcomes the opportunity to respond to the NSW Water Reform Action Plan – Transparency Measures consultation paper. The RGA's response will address each of the Consultation Topics separately, as below.

#### Consultation topic 1: What information should be included in a public register and why?

The RGA strongly opposes the suggestion that 'all details of water entitlement information should be made available to the public.'

Water entitlement is a property right and should be considered in the same manner as a freehold title to land or shareholding.

Information such as the name of an entitlement holder, and the licence details and conditions, water entitlements, water allocations, meter readings, real-time water account balances, trading activities and works approvals is both specific and of commercial value to the owners of the water and therefore commercially sensitive in nature (like land ownership and share trading activities).

While some of this information may be currently accessible to the public, sensible restrictions have been placed on access to this information to protect parties interests. For example, the requirement to have the identifying reference to conduct a search for a water licence (WAL number or lot/DP number) limits access to the licence information to those who have a specific interest in the licence.

If this water information was more publicly available then third parties would have the opportunity to either take unfair advantage of this information, or otherwise fraudulently abuse this information, at the expense of the water holder. In other words, disclosure of this information is likely to result in damage to the party's commercial interests in that water.

For example, disclosure of this information will mean water market intermediaries and other water market participants will be much better positioned to take advantage of this information for personal gain, and potentially at the expense of the less sophisticated water holder. Further, the more specific and detailed the information available to the public, the more susceptible the water owners will be to fraudulent activity.

We note that the commercial interests of all compliant water holders across the State should not be compromised due to the lack of compliance of a very small number of irrigators. Furthermore, the confidence of the community in the irrigation sector is unlikely to be swayed by the disclosure of this information, as this information is highly complex and would generally not be interpreted or understood by the general public.

The RGA suggests that it would be a much better investment of the NSW governments' time and energy to focus on developing a State wide water trading platform that allows for all water trading activities to be conducted from the one location. This will greatly assist in facilitating a more transparent, accessible and equitable water market while reducing the risk of fraudulent water trading activities. This is particularly important as the value of water continues to increase, and water market participants continue to become more active and sophisticated.

#### **Consultation topic 2: How to improve information about when water can be taken**

The RGA supports the NSW Government developing a webpage, or something similar, which outlines when the flow conditions allow for water take at a particular point in time.

#### **Consultation topic 3: Publishing compliance information**

The RGA supports the publication of compliance activities.

## **4. CONTACTS**

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