

RICEGROWERS' ASSOCIATION OF AUSTRALIA INC

SUBMISSION TO THE NSW DEPARTMENT OF INDUSTRY – WATER

Draft NSW Murray and Lower Darling Surface Water Resource Plan

October 2019

CONTENTS

1.	INTRODUCTION	2
2.	THE RICEGROWERS' ASSOCIATION OF AUSTRALIA	3
3.	THE AUSTRALIAN RICE INDUSTRY	3
	PROPOSED CHANGES TO THE WATER SHARING PLAN FOR THE NSW MURRAY AND RLING REGULATED RIVER WATER SOURCE 2016	.4
5.	CONCLUSION1	L 2
6.	CONTACTS1	13

1. INTRODUCTION

The Ricegrowers' Association of Australia (RGA) welcomes the opportunity to provide our submission on the draft NSW Murray and Lower Darling Water Resource Plan prepared by the NSW Department of Planning, Industry and the Environment – Water (the Department).

To date the RGA has actively participated in the development of the NSW Murray and Lower Darling Water Resource Plan, having provided a submission to the initial 'Status and Issues Paper' in March 2017, attended meetings, and made written representations to the Department.

Unfortunately, the RGA has been extremely disappointed with the process for developing these Water Resource Plans. In particular the RGA feels there has been insufficient opportunity to review many of the rules contained in the Water Sharing Plan component of the Water Resource Plan.

The NSW Murray and Lower Darling Water Sharing Plan commenced in 2004 and was due for review and renewal in 2014. Due to a lack of preparedness, the Department postponed this review until 2016. Despite consistent lobbying from industry, the review did not occur and the Plans were rolled over with little to no consultation in 2016. Instead the Department promised a comprehensive review of Water Sharing Plans prior to the commencement of the Water Resource Plans this year.

The current review process commenced in early 2017 with the release of the 'Status and Issues' paper and the establishment of the Stakeholder Advisory Panel (**SAP**). However, the process has been extremely disappointing and very unproductive. Some key reasons are as follows:

- The Department did not have a suitable model (Source Model) for the NSW Murray and Lower Darling valleys to enable proposed rule changes to be modelled to the degree of accuracy required to provide NSW Government staff and stakeholders with any level of confidence. Consequently, we have been unable to consider rule changes with potential impacts on irrigator or other water users' water availability. We understand that the Department is now developing this model but it will not be available until after the review timeframe.
- Furthermore, considering the NSW Government is responsible for developing 22 Water Resource Plans at the same time, the amount of resources dedicated to considering issues specific to our valley has not been sufficient.

• Finally, there is a perceived reluctance/resistance to consider any substantial changes to the Plan rules due to these posing risks to the final accreditation of the Plan, including the requirement to meet the Murray-Darling Basin Plan objectives.

The RGA together with the other NSW Murray stakeholder representatives has previously written and met with both the Minister and Department to express our disappointment with this process. In response to our concerns, we have been verbally advised that Plan will be subject to ongoing review before the next formal review period in 2030 (10 years following the commencement of the Plans).

Verbal assurances are not enough. We seek a written undertaking by 31 October 2019 that this and other Water Resource Plans will not be submitted to the Murray Darling Basin Authority until the community and stakeholder advisory panels have had the opportunity to go through the Water Sharing Plan component with Department staff, specifically whether issues identified in submissions have been addressed.

We also seek a written undertaking by 30 November 2019 that many of the rules contained in the Water Sharing Plan component of the Water Resource Plans will be reviewed comprehensively in 2020. In particular, the RGA would like to see the following matters further reviewed:

- 1. The simplification of the Planned Environmental Water Rules;
- 2. Consideration of how the Planned Environmental Water Rules can be modified to allow for the achievement of improved environmental outcomes; and
- 3. Consideration of how the Water Sharing Plan rules can be improved to ensure that the level of take is at or near the Sustainable Diversion Limit (rather than on average being significantly less than the Diversion Limit, as has occurred to date allowing for a significant 'Cap Credit' to develop in the NSW Murray Valley).

2. THE RICEGROWERS' ASSOCIATION OF AUSTRALIA

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

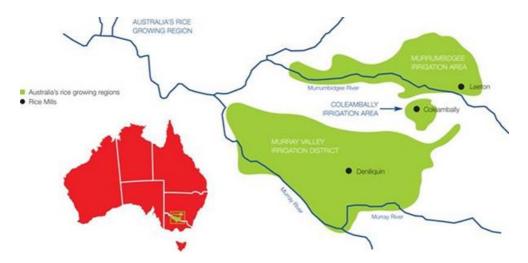
The RGA is made up of eight branches located across the Riverina rice growing regions of NSW and Victoria. Each branch annually elects representatives to form the RGA Central Executive. The Central Executive represents their respective branches in determining RGA policy and projects.

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

3. THE AUSTRALIAN RICE INDUSTRY

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

The Australian rice industry relies on irrigation, mainly sourced from the Murray and Murrumbidgee river 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.



In a typical year the Australian rice industry produces around 800,000 tonnes of paddy rice with a farm gate value of around \$350 million. About 80 per cent of this product is exported. With value adding, the total industry worth is well over \$1 billion each year. It can be further argued that the full economic potential of the Australian rice industry has not yet been realised with rice being excluded from three recent free trade agreements: Japan, China and North Korea. These markets represent significant potential for the Australian rice.

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 more than \$2.5 billion in land, water, plant and equipment and collectively invested around \$400 million in mill storage and infrastructure through SunRice.

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

4. PROPOSED CHANGES TO THE WATER SHARING PLAN FOR THE NSW MURRAY AND DARLING REGULATED RIVERS WATER SOURCES 2016

The RGA's response in the paragraphs below refers to the provisions in the draft *Water Sharing Plan for the NSW Murray and Lower Darling Regulated Rivers Water Sources 2020* version of the document (**the 2020 Plan**).

At times the RGA will also refer to the previous version of the Plan, being the *Water Sharing Plan for the NSW Murray and Lower Darling Regulated Rivers Water Sources 2016* (**the 2016 Plan**).

Part 2: Vision, objectives, strategies and performance indicators

- A. The 2020 Plan places greater emphasis on the Environmental Objectives (Section 8), when compared with the Economic (Section 9), Aboriginal cultural (Section 10) or Social and Cultural Objectives (Section 11), when compared with the 2016 Plan. In particular:
 - Section 8(1) provides that the broad environmental objective of the Plan is to <u>'protect</u> <u>and where possible enhance'</u> the ecological condition of the water source and its water dependent ecosystems.

- In comparison, Section 9(1) provides that the broad economic objective of the Plan is to simply '<u>maintain</u>' access to water to optimize economic benefit for irrigation, water dependent industries and local economies.
- In addition, Section 10(1) and 11(1) both provide that the broad Aboriginal cultural and Social and Cultural objective is to '<u>maintain and, where possible, enhance</u>' these respective outcomes.

The RGA feels that the use of these three different phrases provides the reader with the impression that the environmental objectives are of greater weight or importance than the Aboriginal cultural and Social and Cultural objectives, and in particular the economic objective of the Plan. The RGA recommends that the same phrase be used for each objective to ensure that the reader understand that these objectives are all of equal importance.

B. Section 8 (1) and (2) introduce a far more comprehensive, prescriptive and targeted set of environmental objectives, with highly detailed and specific notes, compared with the equivalent Section 9(1) in the 2016 plan.

Section 8(2)(a) in particular introduces two new objectives which were not in the 2016 plan, that is, to protect and where possible enhance:

- (i) the recorded distribution or extent, and the population structure of, target ecological populations,
- (ii) the longitudinal and lateral connectivity within and between water sources to support target ecological processes.

Notes to 8(2)(a)(ii) specify that "Connectivity may be within this water source, between this water source and water sources in the Water Sharing Plan for the Murray Unregulated River Water Sources 2012, the Water Sharing Plan for the lower Murray-Darling Unregulated Water Sources 2011, or South Australian River Murray connected water sources".

This new objective and the relevant note aligns the 2020 Plan with the draft Murray-lower Darling Long Term Water Plan (LTWP), also out for public consultation.

The LTWP aims to achieve the connectivity objective through overbank flow rates consistent with the relaxed constraints model supporting a 3200 GL Murray-Darling Basin Plan. Relaxing constraints to that extent – indeed, even enough for a 2750GL Basin Plan – remains a highly contentious and unresolved issue.

Nonetheless, the LTWP (Chapter 5, p96) notes that total volumes of water available for the environment do not meet environmental water needs. It proposes "to coordinate the delivery of held (HEW) and planned (PEW) environmental water across catchments (Murray, Murrumbidgee, Goulburn, lower Darling) and in conjunction with natural events and operational water to help meet target flow rates and durations".

Planned Environmental Water (PEW) has not used for this purposes in the past, particularly to meet Basin Plan objectives involving other States such as South Australia. This objective can only be achieved by increasing the PEW volume. Any PEW increase can only occur by reducing water availability for irrigators and other water users, particularly supplementary water events.

Further, the draft NSW Murray and Lower Darling Water Resource Plan itself does not suggest PEW be used to achieve Basin Plan objectives. On p41, it says specifically that Environmental Water Allowances (i.e. the Barmah-Millewa Allowance) "are used to maximise environmental outcomes, such as wetland inundation, flushes to improve water quality, or providing connectivity and habitat for water bird breeding". PEW is not mentioned. Tables on pages 100, 101 and 105 of the Resource Plan indicate that the NSW Long-Term Watering Plan seeks to achieve river flows and connectivity objectives (30-60% increase in freshes, bankful and lowland floodplain flows); riparian vegetation objectives; and, bird breeding objectives, by guiding the use of HEW (Held Environmental Water) and EWA (Environmental Water Allowances). PEW is not mentioned.

In summary, the 2020 Plan has been aligned with the LTWP, which apparently will cop-opt PEW to deliver overbank flows consistent with a 3200 GL Murray-Darling Basin Plan.

The LTWP proposes to cop-opt PEW, even though the Water Resource Plan references only Held Environmental Water and Environmental Water Allowances.

PEW can only be used as proposed in the LTWP if the volume is increased. The only way to increase the volume is to reduce water availability to irrigators and other water users, in particular supplementary water events.

This change represents an erosion of licence holders rights, and an increase in environmental water by stealth. Enshrining this potential in the 2020 Plan as a schedule to the Water Resource Plan means NSW is relinquishing a degree of discretion over managing its water resources to the Commonwealth.

If this is not the NSW Government's intent, the solution to avoid all doubt is simple: Replace the wording in Section 8(1) and (2) in the 2020 Plan (including all the notes) with the wording from the equivalent Section 9(1) in the 2016 plan.

C. Section 8(3)(a) states that all water volume in excess of the long-term average annual extraction limit and the long-term average sustainable diversion limit be reserved for the environment.

The RGA is concerned that this provision provides the reader with the impression that water used for River Operations (operational losses) is to be accounted for as part of the long-term average annual extraction limit and long-term average sustainable diversion limit.

As you are aware, this is not the case, and it is critical that this matter be clarified in the Plan.

D. A number of the strategies outlined in Section 8(3) to achieve the environmental objectives in 8(2) mandate the following: *"reserve a portion of natural flows"* and *"reserve a share of water"*.

It is assumed that these statements are referring to the Planned Environmental Water rules set out in Part 10 of the Plan. It is important that this is explicitly stated, as the current wording could provide the reader with the impression that a separate parcel of water is to be reserved for these purposes. The same phrase is used for the purpose of a number of the objectives in Sections 9(3)(f), 10(3)(c), 10(3)(d), 11(3)(b) and (11)(3)(c).

E. If the statements above do refer to Planned Environmental Water (PEW), then this itself if problematic. The Section 8(3) provisions to *"reserve a portion of natural flows"* and *"reserve a share of water"* to achieve environment objectives in Section 8(2), are new. Such prescriptive provisions are not in the equivalent Section 9(2) in the 2016 Plan.

This suggests the creation of an additional environmental requirement within Planned Environmental Water. The word 'reserve' means setting aside, implying setting aside an additional portion of natural flows, before making water available to irrigators and other water users. The most obvious example would be reducing the frequency and duration of supplementary access events. This change represents an erosion of licence holders rights, and an increase in environmental water by stealth. Enshrining this potential in the 2020 Plan as a schedule to the Water Resource Plan means NSW is relinquishing a degree of discretion over managing its water resources to the Commonwealth.

Any change in the frequency and duration of supplementary access events can have a substantial material impact on the volumes of water irrigators and other water users can access, given that each event lasts only a matter of days, even hours.

The table below shows the annual supplementary water use in the NSW Murray and Murrumbidgee valleys since 2004/05. This use could easily be halved or more if supplementary water events lasting hours no longer occur, or those lasting two or three days last only one or two instead because more of the flow is reserved to meet the 2020 Plan's environmental objectives.

Year	Murray	Murrumbidgee (not lowbidgee)
2004/05	58,843	62,053
2005/06	67,724	87,855
2006/07	233	0
2007/08	25	0
2008/09	0	1,649
2009/10	0	23,544
2010/11	138,931	167,762
2011/12	141,289	139,786
2012/13	139,870	157,821
2013/14	137,103	98,085
2014/15	11,848	68,454
2015/16	0	143,789
2016/17	137,073	107,350
2017/18	0	39,832
2018/19	0	0
2019/20 to date	0	0

Questions that must be answered include how much water will be reserved to comply with this section of the 2020 Plan? What will be the impact on water entitlement reliability and allocations? Will entitlement holders be compensated for the loss of water?

If this outcome is not what the NSW Government intends, the solution is simple. Remove the provisions to reserve water from each clause in Section 8(3), and replace with the language used in the equivalent Section 9(2) in the 2016 Plan. For example:

 8(3)(a) reserve all water volume in excess of the long-term average annual extraction limit and the long-term average sustainable diversion limit for the environment.

becomes

- 8(3)(a) manage extraction within the long-term average annual extraction limit and long-term average sustainable diversion limit, thereby maintaining all water in excess of those limits for the environment.
- F. The RGA suggests that the 'targeted economic objectives' listed in Section 9(2) should also include the matters addressed in sub-Sections 10(1)(a) and (b) of the 2016 Plan, as follows:
 - (a) support viable and sustainable water dependent industries over the long term, and
 - (b) encourage economic efficiency in the management and use of water.

In addition, the RGA believes the 'targeted economic objectives' should include reference to maintaining the total reliability of water entitlement (licence categories) within the NSW Murray and Lower Darling Water Sources.

- G. The RGA suggests that the strategies listed in Section 9(3) should include '*minimise the adverse impacts of water delivery on economic uses*', similar to Section 10(3)(e) in the 2020 Plan.
- H. The RGA suggests that the performance indicators listed in Section 9(5) should include reference to the reliability of water entitlement (licence categories) within the NSW Murray and Lower Darling Water Sources

Part 4: Environmental water provisions

A. Section 15(3) provides that all *"water that is not committed after the commitments to basic landholder rights, and for sharing and extraction under any other rights, have been met"* is Planned Environmental Water.

However we note that water used for the purpose of operational losses is neither a basic landholder right nor identified for the purpose of a right for sharing and extraction, and hence should be acknowledged within this provision.

B. The RGA wishes to express concern about parcels of acquired water in the NSW Murray and Lower Darling WSP that are not properly accounted for (including who's paying) and neither are the environmental and/or operational outcomes they are supposedly designed to create. To have a properly functioning market mechanism in the MDB these rules need to be addressed in the interest of transparency.

The water market can't work fairly for NSW producers, when on the one hand we have consumptive licence holders who are accountable for every single drop of water and on the other hand numerous State government agencies with legislative protection with high priority water that don't have the same accountability.

The WSP and the WRP need to rationalise all these extra parcels of water so that they are almost able to 'continuously account' in the southern connected system. These would include transparent, translucent, conveyance, loss, emergency supplies, voluntary contributions, RAR, purchased entitlement and other parcels, which are all in State Government or State agency hands and protected by State Government legislation.

We understand and accept that certain volumes are needed to look after base river flows and end of system flows, but it has become clear to us that since the introduction of the federal Water Act 2007 and the unbundling of water from land, this has been taken a bit far by NSW in legislation and has created some unintended, highly perverse outcomes for irrigators and their support communities in NSW.

Part 5: Requirements for water

- A. Section 21(a) of the Plan provides that the share components of local water utility access licences total 38,217 ML/year in the Murray Water Source. In the 2016 Plan, the volume was 33,497 ML/year. The RGA questions the difference in these two figures?
- B. Section 22(1)(a-e) of the Plan introduces a subcategory of share components of high reliability access licences in the Murray Water Source totaling 3243 ML, the largest of which is 3195 ML for subcategory Town Supply. It is not explained why this additional water requirement has been added, or its potential effect on water availability to meet other licence requirements in the NSW Murray Water Source.
- C. Section 22(2)(a) of the Plan provides for 190,222 unit shares of high security access licences in the Murray Water Source. In the 2016 Plan, it was slightly higher, 191,698 unit shares.

The difference does not reconcile with the additional 3243 ML identified in the new subcategory described above. It highlights the question how a new subcategory can be added increasing the high reliability licence requirements, without affecting water availability for other licence categories such as general security. This needs to be explained, and reconciled.

Part 6: Limits to the availability of water

A. The RGA requests that Section 28 expresses the Long-term Annual Average Extraction Limit (the Plan limit) in volumetric terms.

The calculation is opaque and so fails to assuage concern that underuse below the Plan limit may be factored into annual model run, leading to underused water being reclassified as Planned Environmental Water over time. Ultimately, this may limit the capacity of irrigators to use water up to the Plan limit, and indeed above in wet years offsetting low usage in dry seasons. Clarity on this essential baseline is required to give irrigators confidence their water rights will not be eroded over time.

B. Section 28(2)(a)(iii) provides for *"the level of development for plantation forestry that existed on 30 June 2009,"* to be factored into the calculation of average annual extraction for the purpose of calculating the long-term average annual extraction limit.

The RGA notes that this is an addition to the 2016 Plan, and argues that if the level of extraction by plantation forestry is of such significance that it must be factored into the calculation of long-term average annual extraction limit, then that form of water extraction should be required to obtain an Access Licence.

C. The RGA requests that the Notes to Section 31 specify the final long-term average Sustainable Diversion Limit figure as identified in Schedule 2 of the Basin Plan, being 1550 GL minus the

SDL shared reduction amount. The SDL includes an assumed 132 GL in farm dam, plantation and other inceptions.

- D. The RGA seeks that a Note be included following Sections 33(2) and 36(3)(b) setting out the requirements of Division 2 of Part 4 of Chapter 6 of the Basin Plan.
- E. The RGA notes that Section 38 (4), "Available water determinations for regulated river (high security) access licences" says the Minister <u>must not</u> make an available water determination under subclause (1), (2) or (3), unless sufficient water is available for all of the following:

 (a) to meet the environmental water provisions in Divisions 1 and 2 of Part 10 that are relevant to the respective water source.

This new prioritisation of the Environmental Water Allowances is also reflected for Murray Conveyance in Clause 39 (2) (a), for Murray General Security determinations in clause 40 (2) (a) and Lower Darling in clause 40 (3) (a).

Divisions 1 and 2 of Part 10 relate to Planned Environmental Water, namely:

- a. Barmah-Millewa Allowance
- b. Barmah-Millewa Overdraw and
- c. Murray Additional allowance.

Currently the minister can make a determination for High Security allocation when all these buckets are empty. No water then needs to be repaid until General Security allocation is at 30%. But this the clause appears to say the Minister' must not' make water available until those EWA buckets are dealt with, which contradicts what is actually written in Divisions 1 and 2 of Part 10.

The 2016 Plan said the Minister 'should not'. Why does it now go a step further to say 'must not'? Surely the Minister needs some flexibility in dry times without suspending the WSP.

Part 7 – Rules for granting access licences

A. Section 43(3) states the minister must not grant a specific purpose access licence unless satisfied that the share and extraction components of the access licence are the minimum required for the proposed use. This clause should include 'and will not impact on existing entitlement holders access to allocation.'

Part 9 - Access licence dealing rules

A. In acknowledging the need for Clause 53 trade rules restricting 71T (temporary trade) across the Choke, it is unclear how transfers of Zone 10 held environmental water to Zone 11 and further downstream are audited to ensure they comply with the same rules applying to irrigators.

A clause needs to be inserted referencing a process for recording, auditing and reporting on Zone 10 HEW transferred below the Choke.

- B. The RGA refers to the 'Minister's Note' within this Part 9. The RGA agrees that it is important that this concept be subject to sufficient stakeholder consultation prior to the addition of any new rules to the 2020 Plan. The RGA however feels that other key Water Sharing Plan matters raised throughout the Water Resource Plan development process should be reviewed prior to the department expending resources on progressing this concept.
- C. The RGA notes that it has not had the opportunity to review thoroughly the Inter-Valley Trade procedures referred to in Section 53, 54 and 55. The RGA seeks the opportunity to review

these procedures prior to them being finalised. The RGA notes the significance of these procedures to the businesses of rice growers in the Murrumbidgee and NSW Murray Valleys.

Part 10 – System operation rules

- A. The RGA notes its disappointment that there has not been an opportunity to review the environmental water allowance rules or general system operation rules set out in Divisions 1, 2, and 4 of Part 10. The RGA feels that there is a significant opportunity to:
 - Simplify the rules so that they are more readily understandable and therefore acceptable by the general public; and,
 - Improve the operation of the rules to maximise the environmental outcomes that can be achieved through their implementation.
- B. Clause 60 (3) states that water may be released from the Barmah-Millewa Allowance for environmental purposes other than beneficial outcomes for the Barmah-Millewa Forest, provided the volume to be released is not required to provide environmentally beneficial outcomes for the Barmah-Millewa Forest under any relevant interstate agreement.

The Barmah-Millewa Allowance was established by agreement between NSW and Victoria to water the Barmah-Millewa Forest under the Murray-Darling Basin Commission. The Barmah-Millewa operating rules specify that water leaving the forest is then reregulated and contributes to NSW general security allocation, or for uncontrolled flow and supplementary access.

The original 2003 Water Sharing Plan included this phrase:

(14) The Minister may approve water to be taken from the Barmah-Millewa Allowance and made available for other environmental purposes provided the volume is not required for release to provide environmentally beneficial outcomes for the Barmah-Millewa forest under any relevant inter-state agreement.

However, we understand from those involved at the time that the water was never intended to be used outside the forest. Rather, 'for other environmental purposes' referred to non-vegetation uses, such as fish flows, but still within the forest.

At that time, the trees were identified as having the need and all other environmental beneficiaries were secondary. Allowing the use of Barmah-Millewa Allowance to be used elsewhere, potentially including South Australia, is not acceptable and would impact on NSW Murray general security allocation.

RGA recommends the wording be clarified to say releases can only be ordered by agreement between the NSW Environmental Water Holder and Minister for Water for environmental use within the Barmah-Millewa Forest.

To avoid all doubt about the Barmah-Millewa operating rules, a clause should be added to the 2020 Plan stating that flows returning from the BMF are reregulated and made available for NSW Murray allocation.

Part 12: Amendment of this Plan

A. The RGA suggests that an additional provision be included in Part 12 to provide for amendments to the environmental water allowance rules or general system operation rules set out in divisions 1, 2 and 4 to Part 10.

The RGA feels that there is a significant opportunity to achieve the following that is yet to be explored:

- Simplify the rules so that they are more readily understandable and therefore acceptable by the general public; and
- Improve the operation of the rules to maximise the environmental outcomes that can be achieved through the implementation of these rules.

General

Language has consistently been changed through the draft 2020 Plan in ways that potentially limit the Minister's flexibility in decision-making. For example, changing the minister 'should not' to the minister 'must not'. The RGA recommends using the original language, 'should not.'

The River Murray Increased Flows (RMIF). It appears this will have to be a new entitlement class. As it can be carried over 100% for a year it is of higher value than High Security, so therefore should pay fixed charges equivalent to High Security, rather than have its management and delivery costs socialised across irrigators.

RGA would prefer to have this water licence held by NSW, not the CEWH, and its release occur only with the agreement of both the NSW Water Minister and the NSW Environmental Water Manager.

As it is above-Choke water released from Snowy Mountains Hydroelectric Scheme, it should be deemed as NSW Murray Zone 10. As this new water poses potential channel capacity issues, RGA considers it appropriate that RMIF either be limited to use between May and August, or include a clause in the 2020 Plan saying that it can only be used when there is spare channel capacity.

As this water can only be carried over once, in a flood year when environmental needs are already met, this water spills. A clause should be included that in years where there is no environmental use it can be traded on the market rather than lost in a spill.

5. CONCLUSION

The RGA thanks the Department for the opportunity to provide a submission to the draft NSWIC Murray and Lower Darling Water Resource Plan.

However, the RGA reiterates its disappointment with the process undertaken for drafting the Water Resource Plan and in particular reviewing the rules of the 2020 Plan. As outlined above, verbal assurances that the water sharing plans will be reviewed before the next formal review period in 2030, are not enough.

We seek a written undertaking by 31 October 2019 that this and other Water Resource Plans will not be submitted to the Murray Darling Basin Authority until the community and stakeholder advisory panels have had the opportunity to go through the Water Sharing Plan component with Department staff, specifically whether issues identified in submissions have been addressed.

We also seek a written undertaking by 30 November 2019 that many of the rules contained in the Water Sharing Plan component of the Water Resource Plans will be reviewed comprehensively in 2020. In particular, the RGA would like to see the following matters further reviewed:

- 1. The simplification of the Planned Environmental Water Rules;
- 2. Consideration of how the Planned Environmental Water Rules can be modified to allow for the achievement of improved environmental outcomes; and

3. Consideration of how the Water Sharing Plan rules can be improved to ensure that the level of take is at or near the Sustainable Diversion Limit (rather than on average being significantly less than the Diversion Limit, as has occurred to date – allowing for a significant 'Cap Credit' to develop in the NSW Murray Valley).

The RGA also reiterates its disappointment that the draft 2020 Water Sharing Plan appears to provide greater weight to achieving the Plan's Environmental objectives, when compared to Aboriginal cultural and Social and Cultural objectives, and in particular the Economic objectives.

This prioritization of environmental outcomes is reflected in numerous amended provisions within the Plan, as identified in this submission. This is arguably a change in the intent of the water sharing arrangements within the NSW Murray water source, when compared with previous versions of the Water Sharing Plan.

6. CONTACTS

For further information please contact:

Rob Massina President Telephone: 0448 999 288 Email: rmassina@rga.org.au Claire Miller Acting Policy Manager Telephone: 0409 509 677 Email: cmiller@rga.org.au